



The Baltic Sea Trade Union Network – BASTUN – has celebrated its fifteenth anniversary. Representatives from the 21 confederations in the network gathered to discuss future common challenges on a High Level Meeting in Tallinn, Estonia, on November 19, 2014. This report is a summary of the main themes discussed at the meeting in Tallinn. It also contains two interviews with trade union leaders from Estonia and Lithuania. The report is written by journalist Bengt Rolfer.

Bastun - 15 years of trade union cooperation

BASTUN – The Baltic Sea Trade Union Network – celebrated its fifteenth anniversary at a High Level Meeting in Tallinn, Estonia, on November 19, 2014.

At the opening the President of the Republic of Estonia, **Thomas Hendrik Ilves**, highlighted the need for more education, especially when it comes to IT and its influence on the nature of work. He mentioned that the power of computers will double every 1,5 years. "We will be losing lots of jobs. More and more jobs will be done by robots that can work around the clock. Employers don't have to worry about overtime – at least not until the robots start their own trade union", the President said.

He called for a "dramatic change" in the systems for education and vocational training and added that there will be no or few jobs in the future that won't require programming skills.

"This is my bad news to you, but Nordic labour unions have always been progressive and now you know what you have to stress when you meet your Governments", the President concluded.

Another key note speaker was **Józef Niemiec**, Deputy General Secretary of ETUC. He stated that we all share the same objective – to make trade unions more powerful – but that there are different opinions about which role the ETUC has to play. One current example is the discussion on minimum wage. To what extent the ETUC is going to co-ordinate the strategy for the affiliated member unions in this respect is disputed.



EAKLs president Peep Peterson, chair of BASTUN and ETUC Deputy General Secretary Jozef Niemiec

According to Niemiec the primarily task for the ETUC is to influence legislation and standard setting in the EU institutions and to negotiate agreements with employers on European level.

He told the meeting that ETUC has met with Marianne Thyssen, Commissioner for Employment and Social Policy, and urged for a very ambitious social agenda from the new Commission.

"Mrs Thyssen has said that she will improve the social dialogue", Niemiec said.

Another positive signal from the Commission is about the necessity of investments for Europe. Vice President Jyrki Katainen is setting up a plan for 300 billion euros in three years.

"But the trade unions new path for Europe is more ambitious than that, which we have told Mr Katainen", Niemiec said.

Organising as a basis for strong Trade Unions

"Organising as a basis for strong Trade Unions" was the theme for the first session on the High Level Meeting in Tallinn.



Toomas Hendrik Ilves, President of the Republic of Estonia

Heiner Dribbusch from the trade union-related research institute Hans Böckler Stiftung in Germany gave an overview of membership trends.

"Trade unions in the Baltic States face a much more hostile environment than in the Nordic and western countries", he said.

However, he underlined that membership figures are only a part of the story. Union power depends not only on organisational power, but also on institutional power (e.g. union rights and bargaining systems) and on structural power.

"Unions are architects of their own future. They have choices even under adverse circumstances", Dribbusch said.

There is no clear connection between union density and bargaining coverage. The most obvious example of this is France with 8 percent density and 90 percent coverage.

During the Estonian presidency 2014 - 2015 BASTUN is focusing on:

- Organising as a prerequisite for powerful and successful trade unions in the Baltic Sea Region – special focus on organising and best practices
- Smart solutions as a way to tackle challenges related to the mobility of labour and to combat social dumping.
- Structural changes in economy and training needs of labour



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In the Baltic countries the bargaining coverage is somewhat higher than the trade union density, but in both categories the figures are among the lowest in Europe. All the Nordic countries have high numbers of trade union density and bargaining coverage compared to the rest of Europe.

"This is thanks to the culture of social dialogue. The problem in the Baltic countries is that the employers don't want to have a dialogue with the unions", Dribbusch said.

The trends in trade union density vary. Between 2000 and 2010 the net density has fallen by 17 percent in Russia and by 11 percent in Sweden, while it has been unchanged in Norway.



Anna Jormin and Nina Kullberg from the Swedish trade Union Unionen

There are also differences within countries and between confederations. For example membership figures have risen 9 percent in Unio Norway and 8 percent in TCO Sweden between 2010 and 2013, while they have fallen 16 percent in EAKL Estonia and 13 percent in FNPR Russia.

"Blue collar unions do slightly worse than white collar unions", Dribbusch said.

Another major trend is that unions have difficulties following the shifts in employment from large industrial workplaces to smaller workplaces in private services. The most difficult territories are construction, private transport, private security and IT-industries.

Heiner Dribbusch concluded:

"A priority on organising makes a difference. Employees organise if they believe this improves their situation and if they can expect support in case of a conflict. But a union can only be strong if it has members. So the challenge is to enable employees to collectively

ABOUT

BASTUN is a trade union network consisting of [22 Trade Union confederations](#) in the Baltic Sea Region and represents [11 million trade union members](#)

BASTUN [influences political decision making processes](#) and [social development](#) in the region, coordinates joint projects and raises issues related to the Baltic Sea region within the international trade union family.

The network has a [rotating presidency](#), each term of office being for a period of one year. The presidency rotates according to the presidency of the Council of Baltic Sea States (CBSS) and runs from the beginning of July to the end of June.

BASTUN [spring](#) and [autumn meetings](#) hold the collective decision making role. [High level meetings](#) are held regularly.

The permanent [secretariat](#) of BASTUN is operated by the Council of Nordic Trade Unions (NFS), and located in Stockholm.

defend their interests".

The next speaker, [Antti Vainio](#) from the Nordic Transport Workers Union, gave a presentation of the Baltic Organising Academy (BOA), which is a joint program between Nordic and Baltic trade unions.

"We provide a framework to channel resources from the Nordic to

"Members need to realize that they are the union."

the Baltic countries. Mainly it's about training professional organisers and shop stewards", Vainio explained.

But it is not only a matter of organising and recruitment, he added:

"Members need to realize that they are the union. This is really difficult".

The method used in BOA is to select strategically important target companies or sectors and talk to the employees to find out what issues they want to improve at work. They then identify potential union leaders and help them to develop a local union structure.

Antti Vainio used the Tallinn Hotels campaign as an example. When the campaign started there were no union members and no collective agreement in the company. A year later an agreement was signed and the union has about 400 members.

The total result from all BOA campaigns is three new agreements, more than 100 new trade union leaders, 28 collective actions and about 1300 members.

"We see that it is possible. Next step is to organise in larger scale", Vainio said.

Another success story came from [Anna Jormin](#) and [Nina Kullberg](#) at Unionen, the second largest trade union in Sweden with almost 600 000 members. About five years ago Unionen began to discuss a new role for the trade union to reach the unorganised employees.

"We identified approximately 900 000 employees. Many of them like their job, they feel secure and are ignorant to what unions do. We needed more facts to find out what those potential members want", Anna Jormin said.

This was the starting point for a comprehensive education and communication project. The board of Unionen decided that they wanted a strategy to increase membership with 100 000 in four years. They also declared that they would be supportive, persistent and that they would follow the project closely. This was a key factor, according to Jormin and Kullberg.

The project team created a multi-channel strategy for communication with potential members. It contained TV-ads, commercials, internet, campaign weeks, welcome programs, shop steward training and more. They also introduced a new vision for Unionen as "the leading force that creates success, security and satisfaction in working life".

And the result? Well, Unionen is now close to the target of 100 000 new net members.



Antti Vainio from Nordic Transport



The panel: Antti Palola, Marie-Louise Knuppert, Bente Sorgenfrey, Uwe Polkahn, Jozef Niemiec and Arturas Cerniauskas

The second session of the High Level Meeting covered the social and economic situation in an integrated Baltic Sea Region.

Professor **Anu Toots** of the Tallinn University tried to answer the question if there is a Baltic way towards a sustainable welfare state.

"There has been a major shift in the actual debate from welfare as the cause of the crisis to the more positive view of welfare as the solution to the crisis. But how do the Baltic States fit in here", she asked.

She compared the three Baltic states with Finland and Sweden in a number of areas, such as distribution of benefits, unemployment and low wages. This led to the following comment:

"The Balts were born with austerity, they are used to austerity and ready to live in austerity..."

The low cost of labour can still be seen as an advantage

Weak social dialogue in Baltic states "Welfare is part of the solution"

for the Baltic states, but Anu Toots disagreed:

"We will lose our labour if we don't pay them well. We cannot compete on low wages, we must have high quality jobs".

She found that all Baltic States are very sensitive to external shocks and that the stabilizing power of the welfare state is low.

Anu Toots conclusion is that even though there are differences between the Baltic States the concept of the welfare state is not understood as a holistic solution to the sustainability problem. She sees this as a major challenge for all Governments.

Is transnational social dialogue the way forward? This question was raised by **Antti Palola**, who represented the Baltic Sea Labour Forum at the meeting in the absence of Director Jan Lundin who was unable to attend the meeting. Mr Palola is the president of the Finnish confederation STTK.

The Baltic Sea Labour Forum is the only cooperation body where representatives from trade unions, employer organisations, parliaments and governmental organisations work together to create sustainable labour markets within in the region.

This tripartite network was formed three years ago for two reasons – labour mobility and prevention of tax evasion/corruption.

"Social dumping goes hand in hand with the grey economy and is harmful for all partners – entrepreneurs cannot compete with the illegal actors, societies will lose tax incomes and of course workers will lose part of their salaries and social security.

Taxation is a good example of how globalization challenges national decision-making systems. Cooperation within EU is not enough", Palola said.

The Forum has jointly agreed on a Mobility Strategy Platform consisting of three elements:

- information and support to foreign workers and employers
- promotion of working conditions
- vocational mobility.

"The network is still young and time will show if it will become a useful tool to develop our region through social dialogue. We

welcome new partners and invite those who are not there to come along", Palola said.

He then put on his "STTK-hat" and continued - as a trade unionist - to define some key factors for fairness and a sustainable labour market:

"Mobile labour is more vulnerable than domestic labour. To get a more sustainable labour market we need more and better EU-legislation.

Economic freedom should not be the number one priority, prevention of social dumping should come first.

We need a more serious approach to stop exploitation of foreign workers. Inspections have to be carried out by the police and the

police have to get enough resources for this work. Today the trade unions

themselves do most of the inspections."

In the closing general debate **Marie-Louise Knuppert**, international secretary of LO Denmark, underlined that people are welcome to come and work in Scandinavia, but on the conditions set in our collective agreements.

"EU's medicine during the crisis was austerity, it almost killed the patient. Now there are stories in Danish newspapers about big companies evading tax. This is not acceptable. A social protocol in the EU treaty is necessary. We must put people first and money further down", she said.

Uwe Polkaehn, president of DGB Nord Germany, underlined the need to organise in all sectors.

"We have talked a lot about IT and the new sectors, but in Germany industrial production also is very important for the economy. And I have heard nothing here about care professions and the demographic development. We have many employees in this area, but very few are organised. So it is not only about the new sectors. We have to organise all over the labour market", he said.

He stressed that it is important that the trade unions don't compete with each other and pointed out that we all have a lot to learn from other countries, e. g. on how to tackle youth unemployment. Finally Polkaehn welcomed the joint tripartite view of BSLF that the Baltic Sea region should be an area free from social dumping.



Antti Palola, President of the Finnish Trade Union Confederation STTK

Estonia: EAKL wants to be in the frontline

The new Government that was formed in Estonia in March 2014 has changed the climate for trade unions in a positive way.

The President of the Estonian Confederation of Trade Unions (EAKL), Peep Peterson, says that the future for Estonian workers now looks brighter than before.

EAKL is the major confederation in Estonia and comprises of 20 branch unions with a total of around 30 000 members. The Transport Worker's Union where Mr Peterson used to be president, is the strongest one.

There is also a minor trade union confederation, mainly for academics and white collar workers, and some independent unions for doctors, teachers and other professions. Altogether around 50 000 people in Estonia are trade union members.

"But the numbers are decreasing", Peterson says. "We lose members and there are still some white spots on the map. There are no unions for construction workers and office employees. That is something we need. At the same time we must make the existing unions attractive in the meaning of functionality. Still we have five or six successful unions in Estonia, so we know that it is possible".

Organising more members is high on EAKL's agenda. Peep Peterson sees the Baltic Organising Academy as a useful project and hopes that more unions will join this programme.

He also appreciates BASTUN very much:

"This network gives us a good opportunity to know more about what is going on around the Baltic Sea. One important thing with this kind of meetings is that we can see what our neighbours have done and if we can copy that. Today we heard of a good example from Unionen. This is exactly what we need to change the image of trade unions and show that they are not the same today as 20 years ago", Peterson says.

"People in Estonia still see EAKL as an organisation that goes backwards and try to protect people from change. We have to



EAKL president Peep Peterson

change that, we want to be in the frontline and make successful changes happen".

However, EAKL's position in Estonian society has improved after the last election. "For a long time we had a Government that didn't like strong unions. But since last March we have a new Government and lots of things have changed. Some nasty laws have been taken back and there are new plans on how to protect workers health and about more training of adult workers. We now have tripartite negotiations as a way to realize what we have proposed. So the future looks better", Peterson says.

There is also a debate going on about the minimum wage. At the moment the Estonian minimum wage is 355 euros a month. From 2015 it will be raised to 390 euros.

"Still this is very low and we are now talking about demanding 1000 euro. Some bankers have supported this idea and possibly the Government will do that too. But it will probably take a couple of years to make it happen", Peep Peterson says.

Apart from organising more members and a higher minimum wage the most important issues for EAKL are to make sure that employees have good health so that they manage to work until the pension age of 65 and a program for lifelong learning.

Lithuania: Unions still have a bad reputation

In Lithuania workers are facing hard times and the trade unions are working in a steep uphill slope.

"Many employers tell people that they should be lucky to have a job and that the salaries are none of their business. We don't want that kind of workplaces", says Arturas Cerniauskas, President of Lithuanian Trade Union Confederation, LPSK.



LPSK president Artūras Černiauskas

The minimum wage in Lithuania is 300 euros a month. That is below the poverty limit. Still 25 per cent of Lithuanian workers only get the minimum wage.

"We have the lowest salaries in Europe. They have to be increased", Cerniauskas says.

LPSK is the major trade union confederation in Lithuania with 25 branch unions and a total membership of 55 000, which equals 10 percent of the workforce. Membership figures have declined for some years, but have now been stabilized.

The strongest unions are in the education and health sectors and in industry. The situation is most difficult in the service sector with the huge supermarket chains like Rimi and Maxima and in the bank sector with a number of Scandinavian companies.

"The banks have an anti-union policy", Cerniauskas says.

Lithuanian trade unions are still suffering from the bad reputation in the Soviet era.

"Today trade unions have a different function. We have now been independent for more than 20 years. The new generation on the labour market asks us what the trade unions will give them if they

become members. Then we ask them what they will give back. We try to explain that it is only together that we can reach something", Cerniauskas says.

After all, recruiting is primarily a task for the branch and company unions. The role of LPSK is to represent workers interests when it comes to work-related laws, minimum wages and such things.

"We have a tripartite body for discussions before the parliament takes a decision. We try to get consensus there, but when it comes to issues like payment and working hours we have a very strong position that we will not change", Cerniauskas says.

He thinks that BASTUN gives some good input to the trade union work in Lithuania, but would like to see a stronger position for the network. As an example he mentions when the roof of the Lithuanian supermarket Maxima collapsed in Riga last year and 54 people died.

"We would wish that BASTUN could be not only a network, but a body with more influence and that it could put pressure on Maxima to introduce a European Works Council in the company. Maybe BASTUN can develop into something stronger in the future", Cerniauskas says. He is also disappointed that many of the Scandinavian companies that come to the Baltic States don't stand up for good workplaces like they do in their home countries.

"In the beginning we were glad when Scandinavian companies came to Lithuania, but now they play by the local rules. It's a kind of training field for them and then they might go back and apply the same bad practice in their home countries", Cerniauskas says and gives an example from a conflict on wages at the Danish brewery Carlsberg.

But he also adds that the BASTUN conference is a good opportunity to discuss this matter with LO Denmark.

