



Lithuania: Working life country profile

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This profile describes the key characteristics of working life in Lithuania. It aims to complement other EurWORK research, by providing the relevant background information on structures, institutions and relevant regulations regarding working life. This includes indicators, data and regulatory systems on the following aspects: actors and institutions, collective and individual employment relations, health and well-being, pay, working time, skills and training, and equality and non-discrimination at work. The profiles are updated annually.

Key figures

Key figures on working life in Lithuania

		Year	Source
Collective bargaining coverage in private sector establishments	19%	2013	ECS 2013
Establishments having any kind of workplace representation in %	57%	2013	ECS 2013
Number of any type of industrial dispute between 2008 and 2013, % of establishments	3%	2013	ECS 2013
Number of total work accidents per 1000 workers	2.1	2012	LFS
Percentage of establishments granting flexitime to their employees	73%	2013	ECS 2013

Background

Economic and labour market context

In 2014, the Lithuanian economy witnessed a 3.6% GDP increase which, however, was lower than in 2013 (4.4%). The sharpest fall in GDP was recorded in 2009 (-15.5%), the fastest growth in 2011 (11.9%). During 2008–2013, GDP per capita in PPS in Lithuania increased by 19% (from €16,100 up to €19,100). In 2013, final consumption expenditure increased by 4.7%, gross fixed capital formation by 15.7%.

In 2014, the employment rate in Lithuania was 65.7% (in 2013, 63.7%). The indicator in 2014 surpassed its pre-crisis level (in 2007, 65%) and was 8.1 percentage points higher than in 2010. The share of temporary employees as a percentage of the total number of employees (aged 15–64) has remained quite stable in Lithuania since the very beginning of the economic recession, accounting for 2.7% in 2013 (2.4% in 2008).

In 2013, the unemployment rate was quite high in Lithuania at 11.8%, but dropped to 10.7% in 2014. The proportion of unemployed workers reached a peak in 2010, rising to 17.8%. In 2014, men's unemployment rate was higher than that of women, at 12.2% and 9.2% respectively. The unemployment rate for young people under 25 was 19.3% in Lithuania in 2014.

More information on the extent of undeclared work, as well as a database on measures to prevent and combat it can be found on Eurofound's website.

Legal context

In Lithuania, labour relations (both individual and collective) of workers hired under employment contracts are regulated by the Labour Code (Labour Code) of the Republic of Lithuania, No. IX-926. The current Labour Code came into force on 1 January 2003. The main focus in recent years in the area of improvement of labour legislation has been the liberalisation of the Labour Code. However, as trade unions strongly oppose any attempts to do this, no significant changes had been introduced as of the end of 2014.

Certain aspects of employment relationships of civil servants (their status, remuneration for work, etc.) are regulated in Lithuania by the Law on the Civil Service No. VIII-1316, in force from 8 July 1999.

The procedure of establishing and functioning of trade unions is regulated by the Law on Trade Unions of the Republic of Lithuania, No. I-2018, approved on 21 November 1991.

The status of works councils, the procedure for their establishment, and other aspects of their activities are regulated by Law on Works Councils of the Republic of Lithuania No. IX-2500, effective as of 26 October 2004, and Law Amending the Law of the Republic of Lithuania on European Works Councils No. XI-1507.

Industrial relations context

The history of independent Lithuanian trade unions and employers' organisations is relatively short. Though trade union density during the Soviet period was very high, Lithuanian unions began to play a more substantial role in industrial relations only after the reconstitution of independent Lithuania at the beginning of the 1990s.

During the Soviet period, the government was the only employer and independent employers' organisations were established only after 1990.

Currently there are two peak national employers' organisations and three trade union organisations in Lithuania. They participate regularly in national-level negotiations at the Tripartite Council of the Republic of Lithuania (LRTT). Most trade union members also participate in the dominant company level collective bargaining.

To foster social dialogue, 20 contracts on the implementation of ESF funded projects to promote social dialogue were signed in Lithuania in spring 2012. These projects succeeded helping draw up territorial, sectoral and company-level collective agreements. During 2013–2014 there was a significant rise in the number of signed sectoral and, in particular, territorial collective agreements.

After several years of debate, the Law on Trade Unions was finally amended and became effective on 28 June 2013, making it possible for all individuals (not only those working under employment contracts) to join trade unions.

Actors and institutions

Trade unions, employers' organisations and public institutions play a key role in the governance of the employment relationship, working conditions and industrial relations structures. They are interlocking parts in a multilevel system of governance that includes the European, national, sectoral, regional (provincial or local) and company levels. This section looks into the main actors and institutions and their role in Lithuania.

Public authorities involved in regulating working life

The main authority involved in regulating working life in Lithuania is the Ministry of Social Security and Labour (SADM). The SADM is responsible for labour policy making and organises, coordinates and controls the implementation of the policy.

The State Labour Inspectorate (VDI) supervises occupational safety and health, as well as compliance with laws regulating labour relations, other legislation and legal provisions on collective agreements.

The main national-level social dialogue institution – the LRTT – deals with social, economic and labour problems, and other issues of public relevance. It recommends solutions to the problems while implementing the principle of social partnership.

The Civil Service Department (VTD) ensures compliance with the Law on the Civil Service of the Republic of Lithuania and other legal instruments related thereto in Lithuania.

There are two bodies for settling disagreements between the employer and employee (that is, individual labour disputes) – courts and labour disputes commissions. The second (LDC) is a mandatory body for pre-trial hearing of individual labour disputes. LDC hearings are based on the tripartite principle, involving participation of a VDI representative and social partners (that is, representatives of employer and employee organisations) in dispute hearings. The chair of the LDC is appointed by the Chief State Labour Inspector of the Republic of Lithuania and the other two members of the commission are appointed from among representatives of trade unions functioning within the jurisdiction of local VDI offices and of employer organisations.

The main tripartite OHS institution in Lithuania is the Commission to the LRTT for Occupational Safety and Health.

Representativeness

There is no legislation in the Republic of Lithuania establishing the representativeness criteria for trade union confederations or employers' associations. The representativeness when concluding collective agreements is established by the organisation itself in its incorporation documents. For a trade union/employer organisation to have the right to conclude collective agreements at sectoral or cross-sector level, it has to state that it is a sectoral or national trade union/employer organisation in its by-laws (incorporation documents).

More information on the representativeness of the main social partner organisations can be found in Eurofound's representativeness study of the cross-industry social partners or in Eurofound's sectoral representativeness studies.

Trade unions

About trade union representation

According to the Law on Trade Unions, natural persons having legal capacity in employment relationships shall have the right to freely join national, sectoral or local (territorial) trade unions and participate in their activities. Membership in a trade union founded at enterprise level or at structural-unit level shall be limited to employees of the enterprise or the structural unit concerned.

Information on trade union membership has been collected by the Lithuanian Statistics Service (STD) since 2006. This shows that trade union membership in Lithuania in general is quite low and since 2006 has been quite stable, covering up to 100,000 (approximately 10%) of all workers with employment contracts. However the statistics suggest trade union density in Lithuania decreases during economic recovery and increases during economic crisis/downturn. As there are no studies to determine the reasons of such changes, we can only presume that recent density fluctuations were mainly caused by changes in the labour market resulting from economic volatility – that is to say that a growing economy gradually leads to the shortage of labour in the market, wage growth, better working conditions for employees, and individualised industrial relations. In turn, employees need less union protection and are not interested in joining them; the need to have their rights defended is lower. And on the contrary, recessions and threats of mass redundancies facilitate consolidation and mobilisation of employees to jointly defend their rights.

Trade union membership and trade union density

	2010	2011	2012	2013	2014	Source
Trade union density in terms of active employees	10.1	9.7	9.0	8.4	n/a	Authors' calculations based on STD data
Trade union membership in 1000s	112.6	108.9	102.3	95.3	n/a	STD data on membership organisations

Main trade union confederations and federations

There are three peak national trade union organisations in Lithuania. They participate regularly in national-level negotiations at the LRTT and also in sectoral level bargaining. Most trade unions also participate in the dominant – company – level collective bargaining.

Main trade union confederations and federations

Long name	Abbreviation	Members	Involved in collective bargaining
Lithuanian Trade Union Confederation	LPSK	26 sectoral TUs (2015) 50,200 members (2015)	Yes
Lithuanian Labour Federation	LDF	7 sectoral and 5 regional TUs (2015) 5,100 members (2015)	Yes
Lithuanian Trade Union 'Solidarumas'	LPS 'Solidarumas'	19 sectoral and 20 regional TUs (2015) 10,500 members (2015)	Yes

In the past 20 years, the main trade union organisations appear to have been transformed from competing and confronting organisations into closely cooperating ones, acting on a coordinated basis. In recent years there have been no fundamental changes in the background and general setting in which the trade unions operate.

Employers' organisations

About employers' representation

Employers have the right to join organisations that represent their interests in compliance with the principle of the freedom of association.

Information on employers' organisations density has been collected by the STD since 2006. According to the STD, their density during 2006–2014 was rather stable. Around 20% of companies operating in Lithuania are members of such organisations.

Main employers' organisations

There are two peak national employers' organisations in Lithuania – the Lithuanian Confederation of Industrialists (LPK) and the Confederation of Lithuanian Employers (LDK). They participate regularly in national-level negotiations at the LRTT and also in sectoral level bargaining. The LPK unites and represents mainly large enterprises, whereas LDK represents SMEs. However, both usually work together and coordinate their positions and activities.

Main employers' organisations and confederations

Long name	Abbreviation	Members	Year	Involved in collective bargaining
Lithuanian Confederation of Industrialists	LPK	47 sectoral, 9 regional associations and 28 direct member companies. 2,346 member companies in total (2015), 22,637 employees (2015)	2015	Yes
Lithuanian Business Employers' Confederation	LDK	1,800 member companies	2015	Yes

Tripartite and bipartite bodies and concertation

There are several tripartite councils and commissions in Lithuania. Most are specialised and operate at national level, while some are also active at regional level. The main tripartite organisation, the LRTT, was established in 1995 following the agreement on trilateral partnership between the Lithuanian Government (LRV), the trade unions and the employer organisations in accordance with the provisions of the International Labour Organization (ILO) in its Tripartite Consultation (International Labour Standards) Convention (Convention No. 144) of 1976. According to the parity principle, the LRTT consists of 21 members, including seven representatives each from the trade unions, employer organisations and LRV. Several councils and commissions dealing with particular areas of social and working life function under the LRTT (in 2010 the number of committees/commissions was increased significantly); some might be bipartite committees/commissions (for instance, Bipartite Commission of Civil Servants).

According to the law, legislative drafts that are submitted to the government on relevant labour, social and economic issues should be agreed in advance with the LRTT. During 2012–2014 the main issues discussed at the LRTT were related to the liberalisation of the labour relations, the minimum monthly wage, legislation regulating industrial relations as well as contemporary social and economic issues.

There are also other tripartite councils and commissions operating in some state institutions. As a rule they deal with the particular areas (for instance, education, labour market policy) or issues (for instance, European Social Fund, migration) that the institutions are responsible for.

Similar types of tripartite committees/commissions also function at regional level – there are tripartite councils of the regions, and various local level public institutions have tripartite committees/commissions.

Main tripartite and bipartite bodies

Name	Type	Level	Issues covered
Tripartite Council of the Republic of Lithuania	tripartite	national	labour market and social guarantees related issues
Tripartite Council of the Lithuanian Labour Exchange	tripartite	national	labour market and employment issues
Tripartite Councils of the Local Labour Exchanges	tripartite	regional	labour market and employment issues
Tripartite Council of the State Social Insurance Fund Board	tripartite	national	state social insurance issues
Occupational Health and Safety Commission under the LRTT	tripartite	national	OHS issues

Workplace-level employee representation

According to the Labour Code, the rights and interests of employees may be represented and protected by the trade unions. Where a company, agency or organisation has no functioning trade union and the staff meeting has not transferred the function of employee representation and protection of employees to the trade union of the appropriate sector of economic activity, the workers shall be represented by the works council elected by secret ballot at a general staff meeting.

The regulation of these bodies is codified by the Labour Code, Law on Trade Unions and the Law on Works Councils.

Regulation, composition and competences of the bodies

	Regulation	Composition	Competences of the body	Thresholds/rules when they need to be/can be set up

Trade union	Law	Trade union members	Yes	Trade unions may be established on the basis of professional, office, production, territorial, or other principles determined by the trade unions. A trade union may be established if it has no less than 20 founders, or the founders in the enterprise, establishment or organisation would comprise not less than one-tenth of all the employees (and one-tenth of all the employees would account for not less than three employees), and the articles of association are approved and the governing bodies are elected at the meeting of the trade union; the articles of association approved at the meeting; the elected governing bodies; an adopted decision on the registered office.
Works council	Law	Employees of the company	Yes	A works council shall be set up in cases where an undertaking has no functioning trade union and where a staff meeting has not transferred the function of employee representation and protection to the trade union of the respective sector of economic activity. Only one works council may be set up in an undertaking, irrespective of whether it has any branches, representative offices and other structural divisions. A works council shall be set up in an undertaking where there at least 20 employees. In an undertaking with fewer than 20 employees, the functions of the works council shall be carried out by an employee representative elected at a staff meeting. A staff meeting shall be valid if attended by at least half of the employees of the undertaking.

Employee representation at establishment level

	% employees covered	% of establishments covered

Trade unions	21	7
Works councils	20	15
Employee representative	47	54

Source: ECS 2013. Private sector establishments with more than 10 employees.

Collective employment relations

Collective bargaining

Bargaining system

Collective bargaining takes place mostly at the company level (with the exception of a few sectors). Despite the efforts of the social partners to increase the importance of sectoral-level collective bargaining, the practice still does not have wide acceptance. National-level social dialogue has played a relatively important role for a number of years. However, social partners' discussions at the LRTT cannot be considered real collective bargaining. Wage bargaining takes place at the company level only.

Wage bargaining coverage

According to the ECS almost 20% of employees are covered by collective wage bargaining in Lithuania (in private sector companies with establishments >10 employees). There are no national data/surveys on collective (wage) bargaining coverage in Lithuania. According to expert evaluations, the overall collective (wage) bargaining coverage in Lithuania might be less than 15–20%.

Collective wage bargaining coverage of employees at different levels

Level		Source
All levels	19%	2013 - ECS
All, excluding national level	18%	2013 - ECS
All levels	26%	2010 - SES

Sources: Eurofound, European Company Survey 2013 (ECS), private sector companies with establishments >10 employees (NACE B-S) – multiple answers possible; Eurostat, Structure of Earnings survey, companies >10 employees (NACE B-S), single answer: more than 50% of employees covered by such an agreement.

Bargaining levels

Working time in Lithuania is set in the national legislation (particularly in the Labour Code); at company level, some working time flexibility arrangements might be agreed.

Wages in the private sector are mainly set at company (or even individual) level. However, in the public sector wages are set mainly by legislation.

Levels of collective bargaining 2014

	National level (Intersectoral)		Sectoral level		Company level	
	Wages	Working time	Wages	Working time	Wages	Working time
Principal or dominant level		X			X	
Important but not dominant level						
Existing level	X					X

Articulation

Articulation does not exist in Lithuania.

Timing of the bargaining rounds

There is no particular time for collective bargaining in Lithuania – at all levels it takes place when required. Usually company level collective agreements are signed for two years period.

Coordination

There is no real coordination between bargaining levels in Lithuania.

Extension mechanisms

According to the Labour Code, valid since 1 January 2003:

... where the provisions of a sectoral or territorial collective agreement are of consequence for an appropriate sector of production or profession, the Minister of Social Security and Labour may extend the scope of the sectoral or territorial collective agreement or separate provisions thereof, establishing that the agreement shall be applied with respect to the entire sector, profession, sphere of services or a certain territory if such a request has been submitted by one or several employees' or employers' organisations which are parties to the sectoral or territorial agreement.

According to the information available, this provision of the Labour Code has been never applied in practice.

Derogation mechanisms

According to the Labour Code, 'tripartite agreements, collective agreements and internal (local) regulatory acts on working conditions putting employees in a worse position as compared to that established by the Labour Code, laws and other regulatory acts shall be null and void'. Also the Labour Code stipulates that 'the parties may not establish working conditions, which are less favourable to the employee than those provided by the Labour Code, laws, other regulatory acts and the collective agreement'.

Expiry of collective agreements

In case of a fixed-term collective agreement, it simply ends upon expiry (however, where the original agreement expires during collective bargaining and the bargaining is clearly likely to end with the conclusion of a new collective agreement, then the case law of the Supreme Court of Lithuania states that the original collective agreement shall automatically remain valid until the signing of the new agreement. If collective bargaining fails, the parties may simply resolve the dispute-related issue and continue to follow the original collective agreement if it is still valid. However, practice shows that employers usually use the opportunity to terminate the valid collective agreement unilaterally (after giving a three months' notice to the union).

Other aspects of working life addressed in collective agreements

National level social partners have widely discussed the possibility of making labour legislation more flexible for number of years. Currently a new social model is under preparation and it is expected to propose liberalisation of labour legislation. The main focus of the flexibility discussion is job security and working time flexibility.

At the company level, traditionally, significant attention is paid to OHS and training issues, wages (especially – in private sector), working time flexibility (including work-life balance), and workers representation rights.

Industrial disputes

Legal aspects

According to the Labour Code:

... a collective labour dispute shall mean a disagreement between the employees and their representatives, on the one part, and the employer and its representatives, on the other part, over the conclusion of a collective agreement, non-compliance or defective compliance with collective agreements and labour regulatory acts leading to violations of the collective interests and/or rights of the employees.

The Labour Code defines a strike as:

... temporary suspension of work by the employees or a group of employees of one enterprise, or several enterprises, or a particular sector in the event of a collective dispute not being settled, or in the event of failure to perform, or improper performance of, the decision adopted by the Conciliation Commission or Labour Arbitration, which is acceptable to the employees, or in the event of failure to resolve a collective labour dispute through a mediator, or in the event of failure to implement the agreement reached during the mediation process.

A strike may be preceded by a warning strike. It may not last longer than two hours.

Incidence of different forms of industrial action 2010–2013

Work-to-rule or refusal to do overtime	3
Work stoppage or strike for less than a day	0
Strike of a day or more	0
Blockade or occupation	0

Percentage of private sector establishments reporting any form of Industrial action during the indicated period.

Source: European company survey

Industrial action developments 2012–2014

	2012	2013	2014
Working days lost per 1000 employees	n.a	n.a	n.a
Number of strikes (warning strikes)	6 (187)	0	33 (45)
Number of employees participated in the strikes (warning strikes), persons	121 (5,437)	0	693 (898)
Total working days lost during strikes (warning strikes)	1,260 (1,820)	0	1,418 (296)
Length of a strike (warning strikes) per employee, days	10.41 (0.33)	0	2.05 (0.33)

Source: STD

Dispute resolution mechanisms**Collective dispute resolution mechanisms**

According to the Labour Code, 'collective labour disputes shall be heard by a conciliation commission or Labour Arbitration or, at the request of one of the parties to the collective labour dispute, the collective labour dispute must be heard through a mediator'.

Conciliation commission (CC)

The CC shall be formed from an equal number of the authorised representatives of the subjects who have made or received the demands. The number of the CC members shall be set by agreement between the parties, it must be set up within seven days.

Hearing of a dispute in the CC shall be a mandatory stage of collective dispute resolution, unless one of the parties to the collective labour dispute requests that the collective labour dispute should be heard through a mediator.

The decision of the CC shall be adopted by agreement between the parties, executed by drawing up a record and shall be binding on the parties. If the CC fails to reach an agreement on all or part of the demands, the Commission may refer them for hearing to the Labour Arbitration or wind up the conciliation procedure by drawing up a protocol of disagreement. The decision of the CC shall be announced to the employees.

Labour Arbitration (LA)

The LA shall be formed under the district court within the jurisdiction whereof the registered office of the enterprise or the party which has received the demands made in the collective dispute is located. The composition of the LA, the procedure for hearing the dispute and executing the adopted decision are established by the regulations of LA approved by the Government.

The LA shall within 14 days resolve the collective dispute referred to it. The decisions of the LA shall be binding upon the parties to the dispute.

Resolution of collective labour disputes (CLD) through mediation

The aim of the resolution of CLD through a mediator shall be to reconcile the interests of the parties and to reach an agreement satisfactory to both the parties.

A mediator shall be chosen by the parties from the list of mediators approved by the Minister of Social Security and Labour. If parties fail to reach an agreement on the appointment of a mediator, a mediator shall be selected by the drawing of lots by the chair of the LRTT.

The resolution of the CLD through a mediator must be achieved within 10 days from the date of the appointment (selection) of a mediator (this time limit may be extended by agreement between the parties). The employer or the employers' organisation must provide the mediator conditions for work.

The agreement reached shall be binding on the parties. In case of failure to reach an agreement by the representatives of the parties to the CLD during the mediation process, a protocol of disagreement shall be drawn up.

Individual dispute resolution mechanisms

There are no individual industrial disputes in Lithuania, only individual labour disputes, defined as disagreement between the employee and the employer regarding the exercise of the rights and the fulfilment of the duties established in labour laws, other regulatory acts, the employment contract or collective agreement.

Individual employment relations

Start and termination of the employment relationship

Requirements regarding an employment contract

According to the Labour Code, in Lithuania a person shall acquire full legal capacity in employment relationships when he/she reaches the age of 16 years. However, certain work activities may be performed by minors who are 14 years old. Basic requirements regarding the recruitment of minors have been set out in the Labour Code; the Law of the Republic of Lithuania on Health and Safety at Work No IX-1672; and the Procedure for employment of persons aged up to eighteen, their health examination and the assessment of their capacity to perform a certain work, working hours, description of work prohibited to them and a list of factors hazardous or dangerous to health, approved by Government Resolution No 138.

According to Article 99 of the Labour Code, an employer shall ensure that an employee is allowed to work only upon signing an employment contract with him and giving him the second copy of the contract. When concluding an employment contract, the employer must introduce the person being employed against his signature to the conditions of his potential work, the collective agreement, work regulations, other acts regulating his work, which are in force at the workplace. Unless otherwise agreed by the parties, the employee must commence his work on the next day following the conclusion of the employment contract.

In every employment contract, the parties must agree on the essential conditions of the contract: the employee's place of work as well as on the conditions of remuneration for work (such as a system of remuneration for work, amount of wages or payment procedure).

Dismissal and termination procedures

Articles 125 to 129 of the Labour Code stipulate the termination of an employment contract: a) by agreement between the parties, b) upon expiry of an employment contract, c) upon the notice of an employee, d) due to circumstances beyond the employee's control, e) on the initiative of an employer without any fault on the part of an employee.

a) One party to an employment contract may offer in writing to terminate the employment contract by agreement between the parties. If the other party accepts the offer, they must give their acceptance within seven days.

b) Upon the expiry of an employment contract, an employer or employee shall be entitled to terminate the employment contract. If neither of the parties terminates the employment contract, the contract shall be considered to be of indefinite duration.

c) An employee shall be entitled to terminate an indefinite-term employment contract, or a fixed-term employment contract prior to its expiry, by giving the employer written notice at least 14 working days in advance.

d) An employee shall be entitled to terminate an indefinite-term employment contract, as well as a fixed-term employment contract, if the idle time at the employee's workstation during the working time set in the employment contract without any fault on the part of the employee

concerned lasts for over 30 successive days, or if idle time amounts to more than 60 days in the previous 12 months, or if the employee is not paid his full monthly wage for more than two successive months.

e) An employer may terminate an indefinite-term employment contract with an employee only for valid reasons by giving him written notice against signature two months in advance (for employees referred to in paragraph 4 of Article 129 of the Labour Code, four months in advance). In this case, the employer is obliged to pay a dismissed employee severance pay based on their average monthly wage, taking into account length of service: under 12 months – one monthly average wage; 12 to 36 months – two monthly average wages; 36 to 60 months – three monthly average wages; 60 to 120 months – four monthly average wages; 120 to 240 months – five monthly average wages; over 240 months – six monthly average wages.

Entitlements and obligations

Parental, maternity and paternity leave

Statutory leave arrangements

	Maximum duration	Reimbursement	Who pays	Legal basis
Maternity leave	In compliance with Article 179 of the Labour Code, women in Lithuania are entitled to maternity leave as follows: 70 calendar days before childbirth and 56 calendar days after childbirth (in the event of complicated childbirth or birth of two or more children – 70 calendar days).	The amount of maternity allowance (MA) in Lithuania is 100% of the allowance beneficiary's reimbursed remuneration. The amount of the MA may not be lower than €143.67 (one third of the current year's insured income - €431 in 2015) per month and higher than €1,379.20 (3.2-fold amount of the current year's insured income) per month. In the case of the birth of more than one child, the maternity benefit shall be respectively increased (twice for twins, three times for a triplet, etc.).	State Social Insurance Fund (Valstybinis socialinio draudimo fondas, SODRA)	Law on Sickness and Maternity Social Insurance No. IX-110 Law on State Social Insurance No. I-1336 Resolution of the LRV No. 86 on the Approval of Regulations on Sickness and Maternity Social Insurance Allowances Labour Code No. IX-926

Parental leave	<p>According to Article 180 of the Labour Code, parental leave is granted until the child reaches three years of age.</p> <p>A maternity (paternity) allowance is paid for the period of a childcare leave after the end of a maternity leave until the child is one or two years old (Article 20 of the Law on Sickness and Maternity Social Insurance of the Republic of Lithuania No. IX-110).</p>	<p>The amount of a maternity (paternity) allowance from the end of a maternity leave until the child turns one year old is 100% of the allowance beneficiary's reimbursed remuneration, if the insured person chooses to receive this allowance until the child turns one year old. If the insured person chooses to receive a maternity (paternity) allowance until the child turns two years old, the amount of the said allowance from the end of a maternity leave until the child turns one year old is 70% of the allowance beneficiary's reimbursed remuneration and until the child turns two years old – 40% of the allowance beneficiary's reimbursed remuneration (Article 21 of the Law on Sickness and Maternity Social Insurance No. IX-110)</p>	State Social Insurance Fund	<p>Labour Code of the Republic of Lithuania No. IX-926</p> <p>Law on Sickness and Maternity Social Insurance of the Republic of Lithuania No. IX-110</p>
Paternity leave	<p>In Lithuania, men are entitled to paternity leave for the period from the date of the birth of a child until the child is one month old.</p>	<p>The amount of a paternity allowance in Lithuania is 100% of the allowance beneficiary's reimbursed remuneration. The allowance per month shall not be lower than one-third of the current year's insured income valid for the month of the granting of a paternity leave (that is, €143.67) (Article 18 of the Law on Sickness and Maternity Social Insurance No. IX-110).</p>	The State Social Insurance Fund	<p>Labour Code of the Republic of Lithuania No. IX-926</p> <p>Law on Sickness and Maternity Social Insurance of the Republic of Lithuania No. IX-110</p>

Sick leave

In Lithuania, sickness allowances shall be granted in accordance with Article 5 (2) of the Law on Sickness and Maternity Social Insurance No IX-110 of 21 December 2000. Pursuant to Article 14 of this Law, the amount of sick pay (sickness allowance) for the first two calendar days of sick leave is paid by the employer and shall not be less than 80% and not more than 100% of the employee's average salary. After the first two days, the employee is entitled to the sickness allowance paid by the State Social Insurance Fund (VSDF). In compliance with Law No XII-1329 of

13 November 2014 Amending Article 14 of Law on Sickness and Maternity Social Insurance (valid as of 1 January 2015), the amount of a sickness allowance paid with the VSDF resources from the third day shall make up 80% of the reimbursed remuneration of the allowance beneficiary.

In accordance with the Article 131 of the Labour Code, it shall be prohibited to give notice of the termination of an employment contract and to dismiss from work an employee during a period of temporary incapacity for work, or during leave, except for in the circumstances specified in paragraph 1 of Article 136 of the Labour Code.

Retirement age

In compliance with the Law of the Republic of Lithuania on State Social Insurance Pensions (No. I-549) and the Law of the Republic of Lithuania Amending Articles 21, 25, 33, 56, 57, and 67 of the Law on State Social Insurance Pensions (No. XI-1436), the retirement age for both men and women in Lithuania is 65 years with effect from 28 June 2011. The retirement age has been increasing annually from 1 January 2012 by four months per year for women and by two months per year for men and this will continue until the statutory retirement age of 65 years, as established in the aforementioned law, is reached.

Pay

Minimum wages

According to the Article 187 of the Labour Code, the minimum hourly pay and the minimum monthly wage in Lithuania is determined by the LRV upon the recommendation of the LRTT. In compliance with Resolution No. 972 of 24 September 2014 On the Minimum Wage, the minimum monthly wage set by the LRV is €300 and the minimum hourly pay is €1.82 with effect from 1 January 2015.

For more information regarding the level and development of minimum wages, please see Eurofound's annual update on developments in collectively agreed pay or visit Eurostat.

Collectively agreed pay outcomes

For more detailed information further information on the most recent outcomes in terms of collectively agreed pay, please consult Eurofound's collectively wage bargaining portal or Eurofound's most recent annual update on developments in collectively agreed pay.

Working time

Working time regulation

Basic provisions regulating working time in Lithuania are established in the Labour Code (Chapter XIII). In accordance with the Labour Code (Article 144), in Lithuania working time may not exceed 40 hours per week and a daily work period must not exceed eight working hours. Exceptions may be established by laws, Government resolutions and collective agreements.

For employees employed in more than one undertaking or in one undertaking but under two or

more employment contracts, the working day may not be longer than 12 hours.

Maximum working time, including overtime, must not exceed 48 hours in each seven-day period.

The duration of working time of specific categories of employees – health care, care (custody), child care institutions, energy, specialised communications services and specialised accident containment services, as well as other services on standby duty, watchmen on premises – may be up to 24 hours per day. The average duration of working time of such employees must not exceed 48 hours per seven-day period, and the rest period between working days must not be shorter than 24 hours. The list of such jobs shall be approved by the Government.

For more detailed information on working time (including annual leave, statutory and collectively agreed working time), please consult Eurofound's most recent annual update on working time.

Overtime regulation

In Lithuania, overtime is permitted only in exceptional cases which are specified in the Labour Code (Article 151). In other cases overtime work may be organised only subject to the written consent or written request of an employee. The employee's overtime work must not exceed four hours in two consecutive days, and must not be more than 120 hours per year. A different annual duration of overtime work may be established in the collective agreement, however, not exceeding 180 hours per year.

Overtime work cannot be assigned: to persons under 18 years of age; to persons who study in general education and vocational schools without interrupting work on study days; when factors in the working environment exceed the permitted levels; and in other circumstances established by law and the collective agreement.

Overtime and night work shall be paid for at the rate of at least time and a half of the employee's usual wage (including basic salary and all additional payments directly paid by the employer for the work performed).

Part time work

In Lithuania, part-time work is regulated by the Labour Code (Article 146). According to the Labour Code, part-time work may be established:

- by agreement between the employee and the employer;
- at the request of the employee due to his health status according to a conclusion of a health care institution;
- at the request of a pregnant woman, a woman who has recently given birth;
- at the request of an employee under eighteen years of age;
- at the request of a disabled person according to a conclusion issued by the Disability and Working Capacity Assessment Office under the SADM;
- at the request of an employee taking care of a sick family member attested by a note from a health care institution.

The Labour Code specifies that unless otherwise indicated in the contract of a health care institution, part-time work may, by agreement, be established by decreasing the number of working days per week or shortening a working day (shift), or doing both.

Part-time employment accounts for quite a small proportion of work in Lithuania. In 2013, part-time employees constituted around 9.0% of total employees (EU28 average, 20.3%).

Working time flexibility

With regard to flexibility, Lithuanian legislation basically regulates only shorter working time and part-time work, whereas flexible work scheduling is a matter to be agreed between the employee and the employer. However, the majority of employees seem to have no possibility to flexibly arrange their working time in Lithuania. According to a study conducted by the Lithuanian Statistics Service in 2010, about 88% of the interviewed employees working under employment contracts said they were working under fixed schedules without any possibility to adjust them. The study covered a total of 11,800 interviewees aged 15–64.

Similar results have been shown by another, more recent, survey. In 2013, Spinter Tyrimai pollster carried out a survey of Lithuanian workers to find out what percentage of employees had flexible work schedules. The survey covered a total of 1,008 employed respondents. Its findings showed that eight employees out of 10 had fixed working hours in fixed workplaces, although the nature of work of roughly a quarter of the respondents allowed some flexibility.

Proportion of establishments reporting that some employees may adapt the start and end of their working day to their personal needs

Establishment size	None or fewer than 20% in the establishment	Between 20–80% in the establishment	More than 80% in the establishment
10–49	34%	22%	44%
50–249	68%	11%	21%
250+	80%	20%	0%
Total	40%	20%	39%

Source: European Company Survey 2013

Health and well-being

Psychosocial risks

The Labour Court and Law on Safety and Health at Work of the Republic of Lithuania No. IX-1672 determine the duty of the employer to ensure safety and health of workers at work in all aspects related to work. It is a general obligation for employers to carry out a risk assessment also for psychosocial factors. The main legal instrument regulating the assessment of psychosocial risks

in Lithuania is the General Regulations on the Assessment of Professional Risk, approved by Order No. A1-457/V-961 of 25 October 2012 of the Minister for Social Security and Labour of the Republic of Lithuania and the Minister for Health of the Republic of Lithuania.

According to the European Working Conditions Survey, in 2010 47.3% of employees reported working to tight deadlines at least a quarter of the time; 26.4% said they worked more than 10 hours once or more per month; 3.4% said they had been subjected to discrimination at work over the past 12 months.

Selected working conditions indicators affecting psychosocial risks

	2000	2005	2010
Work intensity: Working to tight deadlines at least a quarter of the time	41.6	57.8	47.3
Long working hours: Working more than 10 hours once or more per month	40.6	36	26.4
Discrimination: having been subjected to discrimination at work over the past 12 months	n/a	5.8	3.4

Source: Eurofound's European Working Conditions Survey

More detailed figures are available from Eurofound's European Working conditions survey.

Health and safety at work

The number of accidents at work has been quite significantly growing in Lithuania since 2009. The highest growth y-o-y (17.9%) was reported in 2011. In 2012, the rate of accidents at work per 1000 workers was 2.1 in Lithuania.

According to the State Labour Inspectorate (VDI), the total number of accidents at work was 3,142 in Lithuania in 2013. This shows an 8.5% increase compared to 2012 and a 50.2% increase compared to 2009.

Accidents at work, with four days' absence or more – working days lost

	2008	2009	2010	2011	2012
All accidents	2,650	1,640	1,828	2,155	2,303
Percentage change on previous year	n/a	-38.1	11.5	17.9	6.9

Per 1,000 employees	2.1	1.4	1.7	2.0	2.1
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Source: Eurostat, [hsw_mi01] and [lfsa_eegaed]

Skills, learning and employability

National system for ensuring skills and employability

In Lithuania, the main institution implementing skills development policy is the Ministry of Education and Science (SMM). The SMM shapes national policies in the area of education and qualifications and is responsible for the organisation, coordination and control of the implementation of the policy. The SMM is assisted by the SADM, which coordinates, analyses and evaluates the implementation of labour market and employment support policies (including vocational education and training of the unemployed), and by the Ministry of the Economy (UM), which organises prognostic studies of the labour market's HR demand, generalises findings of current and perspective analyses of skills supply and demand on the labour market, and formulates conclusions and recommendations to the LRV and other public authorities/agencies.

Two main forecasting instruments Lithuania measure and assess labour market needs for labour and skills. The forecasting tools developed by the LLE help to compile a national forecast, job opportunity barometer and occupations map; this is supplemented by the qualifications (skills) map developed by the Research and Higher Education Monitoring and Analysis Centre (MOSTA).

On the national level the Vocational Education and Training Council has been established to advise national education authorities on solving strategic VET issues. It consists in equal parts of representatives of State governance (SMM, UM and SADM) and municipal institutions and organisations representing employers' and employees' interests.

Another national level advisory institution is the Central Professional Committee (CPC). It coordinates strategic issues pertaining to development of the qualifications system. Its main roles are: to establish priority sectors for the qualifications system; discuss and suggest decisions regarding the qualifications system's structure; advise on ensuring correspondence between qualifications and labour market needs; accredit competence assessment institutions. The committee members are representatives of State and municipality level governance, VET providers, social partners.

The main advisory bodies in designing VET provision are sectoral professional committees (SPC). 17 SPCs have been established in Lithuania. Members of SPCs represent employers, education and training providers, trade unions, and public organisations in specific sectors. The main roles of these committees are: to advise on sectoral qualifications and competences needed to acquire them; to set priorities for developing qualifications standards; and to endorse standards and analyse consistency of training programmes with the requirements prescribed in the standards.

The main measure designed to adapt HE/VET to the labour market needs is the inclusion of employers and associated business entities into the development of training/study programmes, programme implementation and assessment of graduates' competences.

Training

In Lithuania, the SMM is the main national public institution responsible for training regulation and development. The Qualification and Vocational Education and Training Development Centre (KPMPC) also contributes to the implementation of the aforementioned activities. The KPMPC is an institution implementing the national VET development policy in Lithuania. The main functions of the KPMPC include the development of professional and VET standards, performance of prognostic studies of the demand for qualifications and adult education surveys, formation of the qualifications system and the assessment of formal VET programmes.

According to the 2013 European Company Survey, the largest share of employees in Lithuania receives none or less than 20% paid time off for training. According to the ECS data, the proportion of employees receiving paid time off for training is related not to the existence of workplace employee representation, but to the establishment size. For example the largest proportion of employees receiving paid time off for training in Lithuania was reported in the largest (250+) enterprises with no employee representation at establishment level – in such enterprises 62% of employees receive between 20% and 80% paid time off in the establishment. The smallest proportion of employees receiving paid time off for training is in the smallest enterprises (with 10–49 employees), both with and without employee representation at establishment or company.

Proportion of employees receiving paid time off for training, by existence of workplace employee representation and establishment size

Establishment size	Employee representation at establishment or company exists	None or fewer than 20% in the establishment	Between 20–80% in the establishment	More than 80% in the establishment
10–49	Yes	82	15	3
	No	87	12	1
50–249	Yes	82	17	1
	No	66	17	17
250+	Yes	63	29	8
	No	23	62	15

Source: European Company Survey 2013

Work organisation

Work organisation underpins economic and business development and has important consequences for productivity, innovation and working conditions. Eurofound research finds that some types of work organisation are associated with a better quality of work and employment. Therefore, developing or introducing different forms of work organisation are of particular interest because of the expected effect on productivity, efficiency and competitiveness of companies, as well as on workers' working conditions. Ongoing research by Eurofound, based on EurWORK, the European Working Conditions Survey and the European Company Survey, monitors developments in work organisation.

For Lithuania the European Company Survey 2013 shows that between 2010 and 2013 51% of establishments with 10 or more employees reported changes in the use of technology, 54% introduced changes in ways to coordinate and allocate the work to workers, and 32% saw changes in their working time arrangements.

There have been few recent studies conducted in Lithuania on the topic of work organisation.

Research was conducted in Lithuania in 2014 with a focus on organisational culture in Lithuanian and foreign capital organisations. A total of 123 Klaipėda-based employees were interviewed (60 employees from Lithuanian capital companies and 63 – from foreign capital companies). Findings have shown that both Lithuanian capital companies and foreign capital companies have very similar sets of values (for instance, promoting novelties, promoting creativity, etc.) However, foreign capital companies place greater emphasis than Lithuanian capital companies on employees' improvement and qualification development (40.7% vs. 24.4%) and on team work (44.7% vs. 28.5%).

A study on the Trends and Challenges in Public Sector Innovation in Europe was carried out in 2012 to identify the main patterns and characteristics of public sector innovation (PSI) in the European Union. The study results revealed that in Lithuania, improvement of organisation of public administration by promoting quality and performance management systems is an important aspect of PSI (for instance, ISO, Common Assessment Framework (CAF), European Foundation for Quality Management (EFQM), and Balanced Scorecard). According to the study, the existence of a strong leader and qualified staff were key drivers of institutions leading public sector innovations in Lithuania.

Equality and non-discrimination at work

The main legal acts ensuring equality and non-discrimination at work in Lithuania are the Law of the Republic of Lithuania on Equal Treatment (LET) No IX-18267 and the Law of the Republic of Lithuania on Equal Opportunities of Women and Men (LEOWM) No VIII-947.

The Law on Equal Treatment enshrines the equality of persons and prohibition against restrictions on human rights or extensions of privileges on the grounds of gender, race, nationality, language, origin, social status, belief, convictions or views. The LEOWM establishes general principles for ensuring equal rights between women and men and bans any form of discrimination with regard to gender.

The body responsible for ensuring the principle of equal opportunities in Lithuania is the Office of Equal Opportunities Ombudsperson (LGKT). The LGKT monitors and controls the implementation of the above laws by national and municipal authorities and agencies, education, research, study and other institutions, and employers.

Equal pay and gender pay gap

The equal pay for equal work principle in Lithuania is enshrined in Article 7 of the LET and Article 5 of the LEOWM, laying down that the same work or the work of equivalent value shall be equally paid for. In Lithuania, the implementation of the LEOWM is monitored and supervised by the Equal Opportunities Ombudsperson. Each natural and legal person shall have the right to file a complaint with the Equal Opportunities Ombudsperson concerning the violation of equal rights.

According to Eurostat's figures, the gender pay gap (GPG) in unadjusted form was 12.6% in Lithuania in 2012. Compared to 2011, GPG in Lithuania increased by 0.7 percentage points (from 11.9% to 12.6%). In Lithuania, GPG indicators peaked in 2007 and 2008 reaching 22.6% and 21.6% respectively.

Quota regulations

In Lithuania, there is no legal obligation for specific quotas in place, nor is there a quota for companies to employ certain (disadvantaged) groups of workers.

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