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# COLLECTIVE BARGAINING AGREEMENTS IN THE VISEGRAD COUNTRIES

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GÁBOR SZÜDI



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## Collective Bargaining Agreements in the Visegrad Countries

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**Central European Labour Studies Institute (CELSI)**

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ABSTRACT

### **Collective Bargaining Agreements in the Visegrad Countries**

This report gives a brief overview of 40 selected collective agreements from the Visegrád countries. 10 agreements were collected from each country within the commerce, construction, manufacturing and public sectors.

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## **COLBAR-EUROPE**

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# **REPORT 3: COLLECTIVE BARGAINING AGREEMENTS IN THE VISEGRAD COUNTRIES**

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Gábor Szüdi  
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# 1 Management Summary

This report gives a brief overview of 40 selected collective agreements from the Visegrád countries. 10 agreements were collected from each country within the commerce, construction, manufacturing and public sectors.

The report starts with a theoretical summary on the bargaining systems of the Visegrád countries focusing on their main commonalities, differences, strengths and weaknesses. Partly due to their state socialist heritage when collective bargaining was not at all present or was not fulfilling its true functions and the ensuing economic transformation process, each country has developed a similar collective bargaining system in the last three decades which can be characterised by decentralisation, a declining power and density of trade unions and a gradual erosion of impact of collective bargaining on working conditions. The latter is observed by the slow but steady decline in so-called higher-level (multi-employer or sectoral) bargaining in each country (with the potential exception of Slovakia).

The analysed collective agreements therefore show some important similarities with regard to the main topics covered, as well as the specific regulations within these topics. The most important topics within collective agreements in the region are wages, working hours, social security and pensions and health assistance.

Within these topics there are several similarities but also some distinct differences between countries. The focus on wage clauses lies in the level of wage determination where Poland seems to be most individualised country (wages are determined in individual contracts). Other major wage topics featured in CBAs are the min. wages to be paid, structural wage increases, as well as once-only extra payments and wage premiums. In the latter category, overtime, Sunday and night work premiums are the most important. Overtime and Sunday work premiums are the best paid with an average rate of 135% of regular wage.

Regarding employer classification that can serve as a basis for wage differences, most agreements contain a system which classifies workers based on pre-existing job requirements, the characteristics of work performed, and employee features that are periodically evaluated by the employer. More detailed job descriptions are usually not part of collective agreements.

Clauses on working hours are also a part of all collective agreements showcasing longer working time and higher maximum overtime in Poland and Hungary, which can be attributed to legislative changes allowing for higher labour market flexibility. Nevertheless, flexible working arrangements are not really taken up in the region, with mostly public employers only providing a chance to work through flexible working hours.

Provisions on social security and pensions are also incorporated in almost all collective agreements, but the uptake of unemployment or disability funds is really low in all countries. In contrast, pension funds are a common feature in collective agreements, except for Hungary where the second pillar of pension scheme lost its importance after a 2010 legislative change.

Clauses on medical assistance, health and safety policies, as well sickness and disabilities are also commonly featured in collective agreements across the region. In Slovakia and Poland, free or subsidized medical assistance, and in Hungary health insurance contribution plays a higher role. Relatives are almost never covered by such provisions. Health and safety workplace policies and their monitoring arrangements are also part of most agreements, with several CBAs only referring to external documents. The most common provision in this regard relates to work accidents, including payment for disability caused by work accidents.

It is also noteworthy what are the least important topics within collective agreements in the Visegrád countries. Important employment-related provisions, such as trial periods, training offers or job descriptions are not generally part of collective bargaining, with the potential exception of severance payment which is featured in the majority of CBAs. Similarly, provisions on sick leave payment or the



maximum days of sick leave are also missing from CBAs. Clauses on maternal and paternal leave or other arrangements for a better work-life balance, such as supporting facilities or subsidies for the purposes of child raising are almost totally absent from CBAs. Discrimination, gender equality and violence or sexual harassment are also not commonly referred to within collective agreements.

## 2 Background information

The chapter on background information provides a short overview on the most important features of the bargaining systems in the four Visegrád countries, as well as details the sampling procedure, in particular its sources and limitations.

### 2.1 Overview of Bargaining Systems in Visegrad Countries

Visegrád countries all belong to post-socialist countries where collective bargaining processes could only start in genuine in the early 1990s when the ideology of command economy gave way to free-market capitalism. Prior to 1989, collective bargaining did play a significant role in employment relations in the Visegrád countries and, despite high expectations after 1989 for a progressive change where collective bargaining could be the main driver of employment relations, all countries have currently a decentralized, horizontally and vertically not well-coordinated bargaining system with a limited impact on working conditions.

This system is directly caused by interrelated political-economic decisions taken in each country after 1989. In order to re-structure the non-viable state enterprise sector and make the country more attractive for FDI, a wide-scale privatization with labour market deregulation was carried out. With the exception of Poland, this has resulted in a 'dual' economic and labour market system in each country where – next to the less and less relevant public sector – state-owned enterprises disappeared from the private sector to be replaced by many small national companies and a few transnational enterprises.

The disappearance of state enterprises went hand in hand with a massive rise in unemployment, resulting in many union members losing their jobs or dropping out of unions due to a general sense of disillusion (Czarzasty, 2019). This generated a strong and steady decline in trade union density and an erosion of collective bargaining (see Table 1), which could not be compensated by the fact that collective bargaining has remained relevant, although politically influenced, in many sectors of the public sector. There are very few collective agreements in the newly established small domestic firms, while the role of incoming multinationals is ambiguous. On the one hand, some of them helped stabilize industry-level bargaining by adhering to industrial relations patterns dominant in their home countries, but some of them have also sought to escape high domestic labour standards by moving to Central-Eastern Europe (Kahancová, Martisková, Sedláková, 2019).

With regard to the main actors of the system, with the exception of Hungary where works councils can negotiate a quasi-collective agreement with employers in the absence of trade unions (Borbély and Neumann, 2019), trade unions and employers or their relevant associations are the sole representatives in collective bargaining. Collective bargaining practically takes place on two levels, at company level and at the so-called "higher level" (multi-company or sectoral level), with a national tripartite social dialogue body present in each country with mostly advisory and consultative functions. Thus, there is no genuine bargaining ongoing at the national level, sectoral agreements tend to provide only a general framework of employment conditions, while the truly important issues are most frequently agreed at company level.

The dominance of single-company bargaining is shown by the marginal role of higher-level agreements in three Visegrád countries: Hungary has concluded or modified only five sectoral agreements since 2011 (Borbély and Neumann, 2019), Poland has four real and active nationwide

sectoral collective agreements (Pisarczyk, 2019), and industry-level agreements continue a downward trend in the Czech Republic too (Myant, 2019). While multi-employer and industry-level bargaining is still dominant in Slovakia, the importance of company-level bargaining is increasing (Kahancová, Martisková, Sedláková, 2019).

Recent legislative developments point to the direction of further weakening of collective bargaining. In particular, the new Labour Code in Hungary (adopted in 2012) allowing for a derogation to the detriment of employees, motivates employers to enter into individual negotiations at company level. In 2018, the Polish government has also unsuccessfully tried to pass a new Labour Code which would have included similar unfavourable conditions for employees as in Hungary, e.g. granting excessive control rights over working time to employers. There were also legislative changes detrimental to collective bargaining in the Czech Republic and Slovakia when the respective national Constitutional Courts declared industry-wide extension mechanisms unconstitutional (respectively in 2014 and 2016).

*Table 1 Bargaining coverage and trade union density in Visegrad countries (2018 or latest data)*

	Czech Republic	Hungary	Poland	Slovakia
<b>Bargaining coverage</b>	<b>30.4%</b>	<b>20.5% (2017)</b>	<b>17.2% (2015)</b>	<b>30.0% (2015)</b>
Single-employer bargaining	30.4%	16.4% (2014)	14.7% (2012)	N/A
Higher-level bargaining	14.7% (2017)	5.3% (2014)	3.2% (2013)	N/A
<b>Union density</b>	<b>11.5%</b>	<b>7.9%</b>	<b>12.7% (2016)</b>	<b>10.7% (2016)</b>
Coverage due to extension mechanism	5.4%	2.5% (2012)	N/A	0.0%

*Source: Jelle Visser, ICTWSS Data base. version 6.1. Amsterdam: Amsterdam Institute for Advanced Labour Studies AIAS. October 2019. Accessed 25 Jan 2021*

*Latest data indicated in all cases. Where date is not indicated, data refers to 2018*

## 2.2 Sampling of CBAs

The collection and analysis of CBAs face significant obstacles in all the Visegrád countries since generally not all CBAs are available to interested stakeholders. All countries maintain a central registration system of CBAs with significant limitations. In comparison to the other Visegrád countries, the Hungarian database<sup>1</sup> operated by the Ministry for National Economy has the advantage that it (theoretically) includes all CBAs. However, the database only provides basic information for interested parties and does not allow for an in-depth analysis. Borbély and Neumann (2019) mentions further hindrances, such as that expired agreements are still included within the database without further notification.

In the other three countries, central registries only contain the so-called higher-level (multi-employer or industry-level) agreements. The Slovak database<sup>2</sup>, the Czech database<sup>3</sup> and the Polish database<sup>4</sup> are all maintained by the respective national ministry responsible for labour. In addition, Polish district

<sup>1</sup> <http://www.mkir.gov.hu/ksznyilv.htm>

<sup>2</sup> <https://www.employment.gov.sk/sk/praca-zamestnanost/vztah-zamestnanca-zamestnavateľa/kolektivne-pracovnopravne-vztahy/kolektivne-zmluvy/zoznam-kolektivnych-zmluv-vyssiho-stupna/>

<sup>3</sup> <https://www.mpsv.cz/kolektivni-smlouvy-vyssiho-stupne-zavazne-pro-dalsi-zamestnavatele>

<sup>4</sup> <http://www.dialog.gov.pl/dialog-krajowy/uklady-zbiorowe-pracy/stan-rejestru-prowadzonego-przez-ministra-rodziny-pracy-i-polityki-spolecznej/>

labour inspectorates handle registers of single-company collective agreements. Access to these agreements is possible at the request of trade unions. However, there is no standardized database in Poland either. In each country, CBAs in the public sector might be available online but single-employer level agreements are not compulsorily added to any publicly available databases, thus private single-employer agreements (especially of multinational companies) are difficult to access. Since higher-level agreements tend to stipulate only quite general provisions this limits the CBA content to be analysed (scope effect).

Circumventing the limitations posed by lack of official access to CBAs, two methods were predominantly used for collecting a necessary number of CBAs for data analysis purposes: (1) systematic research in (online) databases and websites, building on the pre-existing knowledge about certain sectors or multinational companies (MNC) that are assumed to have existing CBAs. For instance, in the public sector, there is a higher chance of organisations providing education, health care, postal or transport services to have a CBA, while in the private sector, the strongest national players in the four key sectors of the COLBAR-EUROPE project (commerce, manufacturing, construction and public), as well as relevant daughter companies of MNCs entering into a CBA at their home countries were first checked; (2) CBAs provided by trade union and employer organisation (representatives) were used. This relied upon the pre-existing network of the main organisations involved in the collection and analysis of CBAs in Visegrád countries, principally the Central European Labour Studies Institute (CELSI) and the WageIndicator Foundation.

Due to this limited availability of relevant CBAs, there are certain imbalances regarding the sectoral (public vs private; division of four main sectors) distribution of CBAs sampled (see Table 2 below). The bias towards public-sector CBAs can be explained by their relatively easier availability: these are mostly included in official databases due to their “higher-level” scope. In case of Poland, the higher proportion of CBAs from the private-sector and MNCs are explained by the project participation of Solidarnosc trade union which provided the research team with valuable input, including CBAs.

This general limitation in data collection cannot be more efficiently addressed at the present moment – for a more systematic and coherent data collection and analysis, a transparent and accessible centralised database would be needed, such as the one used in Austria<sup>5</sup> (a country neighbouring three Visegrád countries).

### 3 Collective Agreements in the Database

In the following chapter the basic data on the collective agreements gathered from the Visegrád countries are presented: breakdown per countries and sectors mainly represented in the COLBAR-EUROPE project (commerce, manufacturing, construction and public), followed by a breakdown per bargaining levels. A separate section deals with the division of CBAs between multinational and domestic companies in each country.

#### 3.1 Sectors Represented

Altogether 40 CBAs were annotated in Wageindicator’s online COBRA system<sup>6</sup> in the project duration, using a unique codebook (Cecon and Medas, 2021). A balanced number of 10 CBAs were included in the database from each country (Czech Republic – CZ, Hungary – HU, Slovak Republic – SK, Poland – PL). As regards the sectoral representation of these CBAs, the majority of them came from the commerce and public sector, while construction and manufacturing sectors were less represented (See Table 2); while at least one CBA was annotated from each country in construction, no

<sup>5</sup> [https://www.oegbverlag.at/cms/V01/V01\\_20.5.a/1342550729550/online-datenbanken/das-kvsystem-kollektivvertraege-online](https://www.oegbverlag.at/cms/V01/V01_20.5.a/1342550729550/online-datenbanken/das-kvsystem-kollektivvertraege-online)

<sup>6</sup> <https://cobra.wageindicator.org>

manufacturing CBAs were included in the database from Czech Republic and Slovakia, indicating difficulties to access for sectoral bargaining documents in these countries. The 15 public sector CBAs representing 37.5% of all CBAs belonged to the following broader sub-sectors: education (5 – 2 from CZ, 1 each from the other countries), transport (5 – 2 from CZ, 1 each from the other countries), postal services (2 – 1 each from SK and HU), civil servants (1 – CZ), health (1 – HU), national parks (1 – PL).

Table 2 Division of CBAs sampled per sector in each Visegrád country

	Czech Republic	Hungary	Poland	Slovakia	Total	Total (%)
<b>Commerce</b>	4	3	4	5	16	40%
<b>Manufacturing</b>	0	2	3	0	5	12.5%
<b>Construction</b>	1	1	1	1	4	10%
<b>Public</b>	5	4	2	4	15	37.5%

Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

As regards division between single-employer and higher-level bargaining (see also Background Information), the dominance of single-employer collective agreements is visible within the sample too even though not to such a degree as in reality (37.5% or 15 CBAs are higher-level CBAs, while actually these agreements have a marginal role in Hungary and Poland, and a decreasing importance in the Czech and Slovak Republic). One reason for this share of higher-level agreements in the annotated CBA database is that both the Czech and Slovak Republic maintains an official online database for such CBAs, as well as that they can be more readily available within some sectors in Hungary too.

There are altogether 5 higher-level CBAs from Slovakia (4 from commerce sector and 1 from construction) and Hungary (2-2 from commerce and public sectors and 1 from construction), as well as 3 higher-level CBAs from the Czech Republic (2 from commerce and 1 from public sector) and 2 higher-level CBAs from Poland (both from the public sector) in the dataset analysed. The majority of the 25 single-employer CBAs is from the public and commerce sector, followed by manufacture and construction (in the latter we managed to annotate only two CBAs in the Czech Republic and Poland).

Table 3 Division of CBAs sampled per sector and per bargaining level in each Visegrád country

Bargaining level		Sector				Total
		commerce	construction	manufacture	public	
<b>HIGHER</b>	<b>CZ</b>	2	0	0	1	3
	<b>HU</b>	2	1	0	2	5
	<b>PL</b>	0	0	0	2	2
	<b>SK</b>	4	1	0	0	5
	<b>Total</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>15</b>
<b>SINGLE</b>	<b>CZ</b>	2	1	0	4	7
	<b>HU</b>	1	0	2	2	5
	<b>PL</b>	4	1	3	0	8
	<b>SK</b>	1	0	0	4	5

Total		8	2	5	10	25
TOTAL	CZ	4	1	0	5	10
	HU	3	1	2	4	10
	PL	4	1	3	2	10
	SK	5	1	0	4	10
Total		16	4	5	15	40

Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

### 3.2 Multinational Companies Represented

One of the objectives of the COLBAR-EUROPE data collection was to gather CBAs of subsidiaries of multinational enterprises in different countries to enable a country-level comparison of content of such agreements. As observed in Table 4 this aim was achieved only to a limited extent since only 14 CBAs were collected where the signatory from the employer's side was a multi- or trans-national enterprise (MNE). The most CBAs signed by a multinational enterprise was collected from Poland (7 out of 10, out of which 4 is from the commerce sector), which is due to the support from Solidarnosc trade union that provided otherwise not available CBAs for analysis in the framework of the project. In the other countries, 2-3 CBAs from multinational companies were collected, with the commerce sector more emphasized in the Czech and Slovak Republic, while such agreements came from the manufacturing sector in Hungary.

Table 4. Division of CBAs sampled per sector and per country-level in each Visegrád country

National character	Sector				Total	
	commerce	construction	manufacture	public		
<b>DOMESTIC</b>	CZ	2	0	0	5	7
	HU	3	1	0	4	8
	PL	0	0	1	2	3
	SK	3	1	0	4	8
<b>Total</b>		<b>8</b>	<b>2</b>	<b>1</b>	<b>15</b>	<b>26</b>
<b>MULTINATIONAL</b>	CZ	2	1	0	0	3
	HU	0	0	2	0	2
	PL	4	1	2	0	7
	SK	2	0	0	0	2
<b>Total</b>		<b>8</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>14</b>
Total	CZ	4	1	0	5	10
	HU	3	1	2	4	10
	PL	4	1	3	2	10
	SK	5	1	0	4	10
<b>Total</b>		<b>16</b>	<b>4</b>	<b>5</b>	<b>15</b>	<b>40</b>

Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

## 4 Comparison of CBAs per Topics

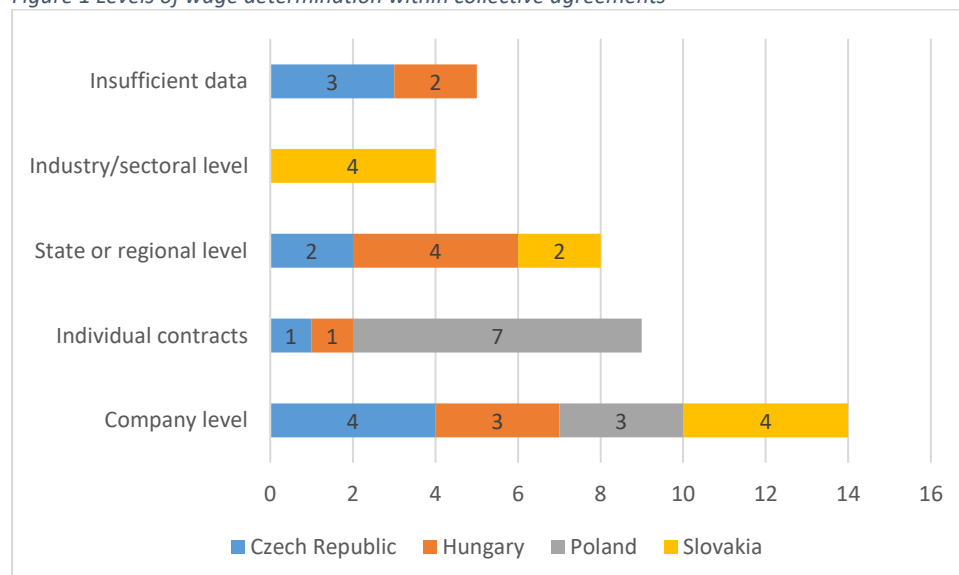
In the following chapters a short overview will be given on the most relevant topics covered within CBAs in the Visegrád countries, taking into account potentially relevant similarities and disparities between countries, sectors, bargaining levels (higher-level or single-employer CBA) or the geographical scope of the employer involved in bargaining (multinational or domestic enterprise).

The signatory parties to all CBAs have been at least one trade union and one employer, an employers' association was also involved in case of 10 CBAs (25%): 4 times in Slovak CBAs, 2 times in Czech CBAs, 3 times in Hungarian CBAs and only 1 time in Polish CBAs. The vast majority of CBAs did not require ratification from a higher-level body: the most exceptions were observed in Poland where five CBAs required ratification, while in Hungary one such CBA was analysed (in the Czech and Slovak Republic no such CBAs were analysed).

### 4.1 Wages

Clauses on wages are one of the few aspects that all collective agreements in our sample contains (40 out of 40 CBAs). The level of detail of these clauses significantly varies and some agreements are only included within supplements or annexes to the agreement (which is especially common in Hungary). With the exception of 5 CBAs, all agreements have data about **the level where wages are determined**. Wages are the most frequently determined at company level, across all countries: in total 14 agreements stipulate so (4-4 Czech and Slovak, 3-3 Polish and Hungarian CBAs). However, when we look at the other levels of wage determination, we observe significant **country-level differences**. In Poland, most CBAs (7) refer to wage determination at the level of individual contracts, while in Hungary the state level (4 CBAs) and in Slovakia the sectoral level (4) is dominant. This can be partly explained by the sample drawn from Poland which contains agreements from more multinational companies than the other countries. The collective agreements of multinational enterprises in Poland tend to determine employees' wages through individual contracts. In contrast, public employers have more likely included wage determination at state or regional level in their agreements (in the Czech Republic, Hungary and Slovakia as well).

Figure 1 Levels of wage determination within collective agreements

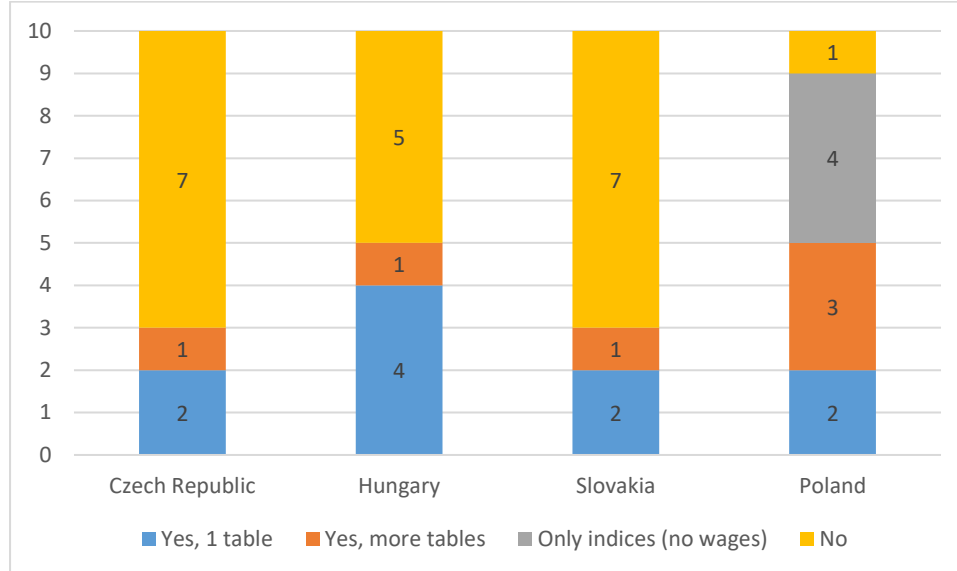


Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

Very similar patterns per country are observed with regard to **wage table with pay scales**. Most collective agreements do not have tables determining wages with pay scales – the shares are exactly

the same in the Czech Republic and Slovakia where 7 out of 10 CBAs do not include such tables and it is more likely that the other CBAs contain only one such table. This is also true for Hungary where half of the CBAs (5 out of 10) do not have wage tables with pay scales and 4 of them include one such table. **Poland seems to be an outlier** in the Visegrád group in this regard since only one CBA does not have a wage table and there are more CBAs with multiple tables than with one. However, if we count that 4 CBAs only include indices but no wages (with some mentioning confidentiality reasons) then Poland is also similar to the other Visegrád countries in the sense that most agreements have no wage tables included. The **calculation period** for pay scales is always **given in months**.

Figure 2 Collective agreements determining wages by means of tables with pay scales, per country

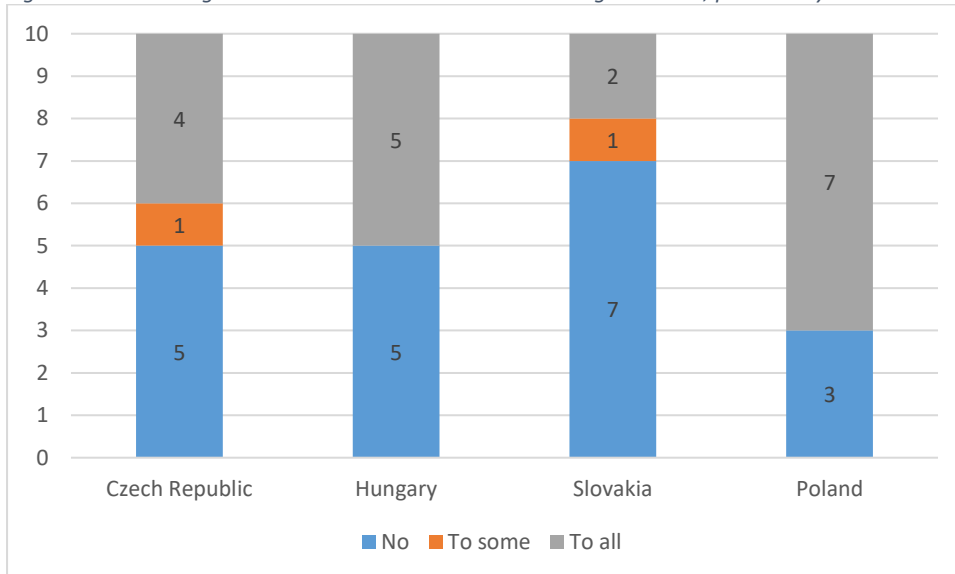


Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

27 CBAs have clauses on the **lowest wage to be paid**, in the following country breakdown: 9 Polish, 7 Hungarian, 6 Slovak and 5 Slovak agreements. In addition, another 22 CBAs provide so that the minimum wages set by the government have to be respected – here again, Polish and Hungarian CBAs are the most likely to have such provisions (7), followed by Czech (5) and Slovak (3) agreements. Minimum wage provisions are much more rarely included: 4 Hungarian, 3 Slovak and Polish and 1 Czech agreement do so (in total 11 CBAs). Since CBAs refer to different years a comparison is not feasible but it can be noted that certain CBAs – in Hungary and Poland – also link the minimum wage to some percent (e.g. 110%) of the monthly statutory wage minimum.

A **structural wage increase** (i.e. an increase that moves forward the basic payment on a permanent basis) is included in a bit more than half of the CBAs (21) across the region. If such a structural increase is agreed then it almost always applies to every employee. Such clauses are the most frequently featured in Polish (7) CBAs, with Czech and Hungarian (5) CBAs, and Slovak (3) CBAs a bit behind. Altogether two exceptions are found in the Czech Republic and Slovakia where concrete job titles are given (mainly for physical workers) to which structural annual wage increases apply. This **structural wage increase is** in the most time **not related to the performance of the employer**, only in 7 agreements are such provisions added (4 Polish, 2 Czech and 1 Hungarian CBAs). It would be logical to have private employers to add these provisions linking wage increase to economic performance but this is the case for 2 public employers as well (1 Czech and 1 Polish).

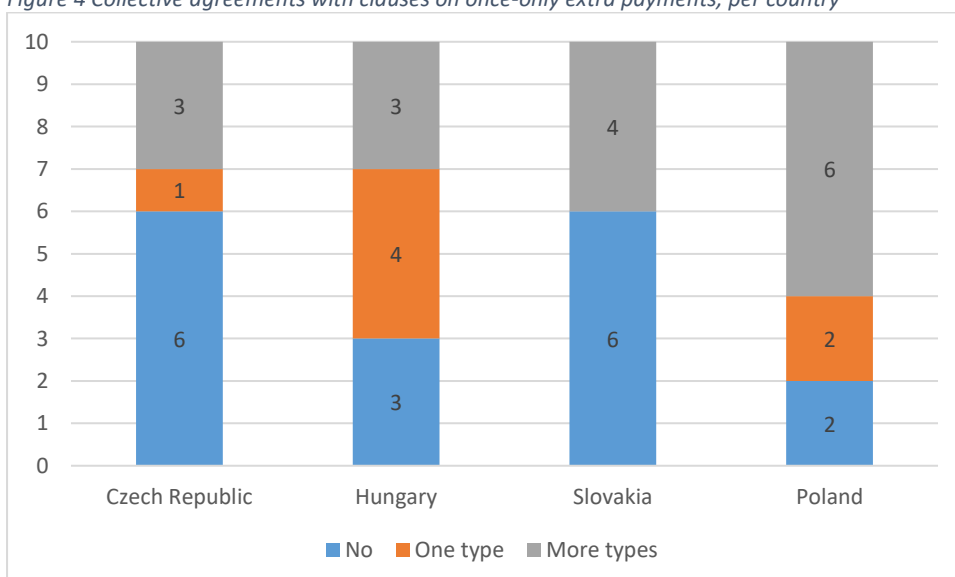
Figure 3 Collective agreements with clauses on structural wage increase, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

As regards **once-only extra payments** provided to employees, we observe that – similar to structural wage increases – they are **more common in Polish and Hungarian CBAs** than in their Slovak and Czech counterparts. 6 out of 10 Polish CBAs have more than one such extra payment included in their content, followed by interestingly Slovakia where the only CBAs having such clauses in all cases include more than one once-only extra payments (4 out of 10 CBAs). In addition, 3-3 Czech and Hungarian agreements offer more than one once-only extra payments – Hungary is the country where employers tend to offer only one once-only extra payment to their employees during the year. We again found that almost all CBAs offer these extra payments to every employee with the same exception of one Czech and one Slovak employer as in case of structural wage increases (Figure 3). Extra payments are tied to the performance of the employer in only 5 agreements (out of 21): in Hungary there are no such stipulations – extra payments are not based on economic performance, while 1 private Slovak and 1 public Slovak, 1 public Czech and 2 private Polish employers do so.

Figure 4 Collective agreements with clauses on once-only extra payments, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

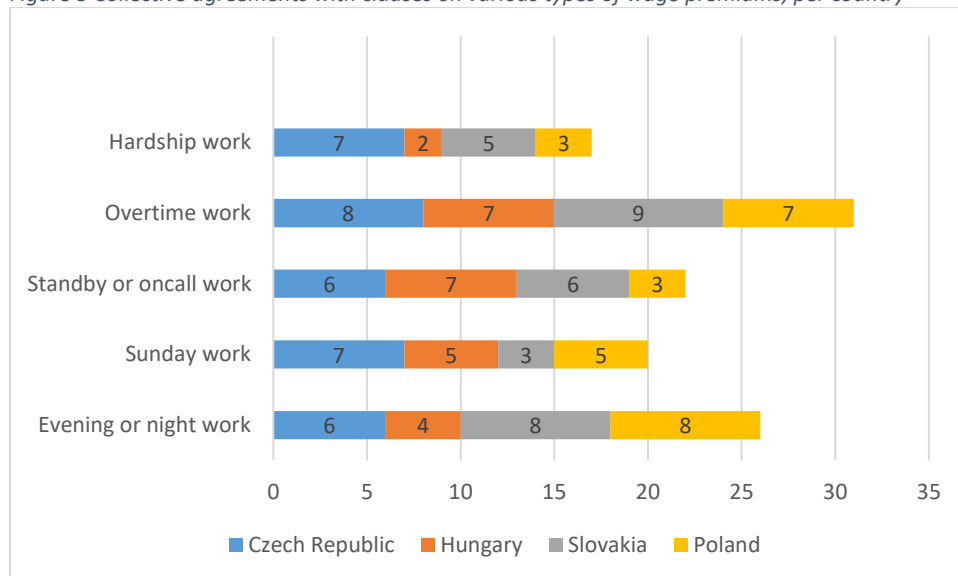


As regards the various types of **wage premiums** included in collective agreements, **the most frequent type** of such a premium (among the choices offered on the COBRA platform) **is the overtime work premium** included at least 70% of CBAs in each country (in total 31 out of 40 CBAs). Out of the 31 CBAs, 23 indicate that the premium is given as percentage of regular wage above the stipulated working hours agreed. The **average percentage across all countries is 135% with a median of 125% of regular wage** for an employee with one year of experience. On a country-level, **Polish and Hungarian agreements tend to include a higher overtime premium rate**, with 150% of regular wage premium, while this rate is usually set at 125-135% in the Czech Republic and Slovakia.

Second, premium offered for **evening or night work** is also a common provision in CBAs, with the exception of Hungary where only 4 CBAs had explicit regulations in this regard (in total 26 out of 40 CBAs). This premium is predominantly offered as a percentage of the regular wage (17 out of 26 CBAs, in Hungary only in this way) and the **average percentage across all countries is around 122% with a median of 120% of regular wage** for an employee with one year of experience. No great variations are observed among countries or sectors, with the best offer being 150% of regular wage paid, and the lowest percentage of 110%. It must be mentioned that the overwhelming majority of agreements having such premiums (21 out of 26) only provide for night work premium (usually between 10 p.m. and 6 a.m.).

Third, on-call or **standby work premiums** were agreed in 22 CBAs – this type of premium was least negotiated in Poland (only 3 CBAs). This premium was offered as percentage of regular wage in 13 agreements about which we have more detailed data (premium given in specific amount was also an option here, but that is more difficult to compare). The **median for such a premium was 110% of regular wage and the average was around 125%** for a worker with at least one year of experience. The best offer was made by a Polish public employer with 160% of regular wage – the lowest percentage was 110%.

Figure 5 Collective agreements with clauses on various types of wage premiums, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

The least offered were **Sunday work premiums** (20 out of 40 CBAs, with Slovakia having the most such agreements) and **hardship work premiums** (17 out of 40 CBAs, with Slovakia having the most such agreements) – the latter premium is of course more dependent on the type of employer since not all working places or jobs can be categorized into ‘hardship’ work. Sunday work premium is usually given in percentage of regular wage (15 out of 20 CBAs). This is the usual determination level in each country, with the exception of Slovakia where agreements either do not provide for a concrete

method for determining Sunday premiums or, in one case, give a specific amount. **The average rate for Sunday premiums is 136% of regular wage, while the median is 125%.**

Data is sporadic on hardship work premiums – many CBAs have no concrete specifications – but generally it seems so that **specific amounts paid as premiums are more likely** than in case of other types of premium: this is stipulated in 5 cases, out of which 4 are from the Czech Republic – in addition each country has 1-2 agreements where hardship premium is given as percentage of regular wage. **The average rate for hardship premiums is 130% of regular wage, while the median is 120%.**

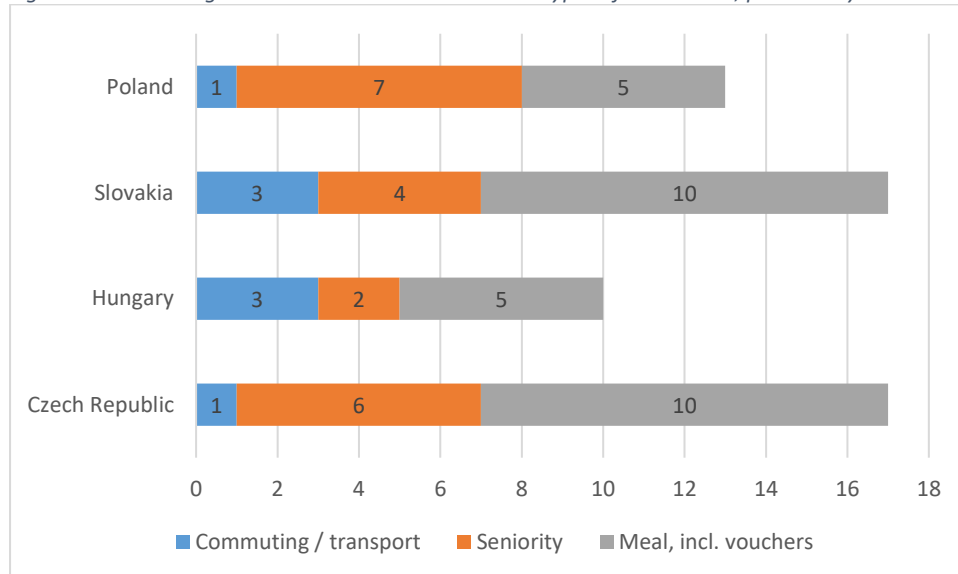
*Table 5 Percentage of regular wage stipulated for various types of wage premium, average and median*

Premium type	N = cases		Premium in % of regular wage (V4)
<b>Overtime</b>	23	<b>Average</b>	<b>135%</b>
		Median	125%
<b>Night (or afternoon)</b>	17	Average	122%
		Median	120%
<b>On-call (or standby)</b>	13	Average	125%
		Median	110%
<b>Sunday</b>	15	<b>Average</b>	<b>136%</b>
		Median	125%
<b>Hardship</b>	5	Average	130%
		Median	120%

In addition to premiums, certain agreements also include provisions on various types of allowances. The database collects information on three main types of allowances, namely commuting (transport), seniority and meal allowances, including vouchers. **Meal allowances (incl. vouchers) are the most common allowances in the region**, all Slovak and Czech agreements provide for these, while half of the Polish and Hungarian agreements include such clauses. The Czech Republic is the only country where all the agreements with meal-related provisions also include a concrete minimum amount for one meal, the average amount of which is CZK 68 (EUR 2.63).

**Seniority allowances** are included in 19 CBAs, most likely in Poland and the Czech Republic (7 and 6 CBAs). All of the Czech agreements provide for a concrete amount for seniority allowance, while in Poland the agreements tend to determine seniority allowance as a percentage of regular wage (in 5 out of 7 cases). The amounts indicated in Czech agreements are differing per duration (hourly, monthly, annual rate), per service year and employee type therefore an average monthly amount cannot be given in this paper. **Commuting (transport) allowance** is the least frequent allowance type within CBAs across the region: only 8 agreements contain such clauses, these allowances are the most frequent in Hungary and Slovakia (3-3 CBAs). No more specific information can be provided about this allowance type; usually they are just mentioned (e.g. as part of the optional benefit package in Hungarian agreements).

Figure 6 Collective agreements with clauses on various types of allowances, per country

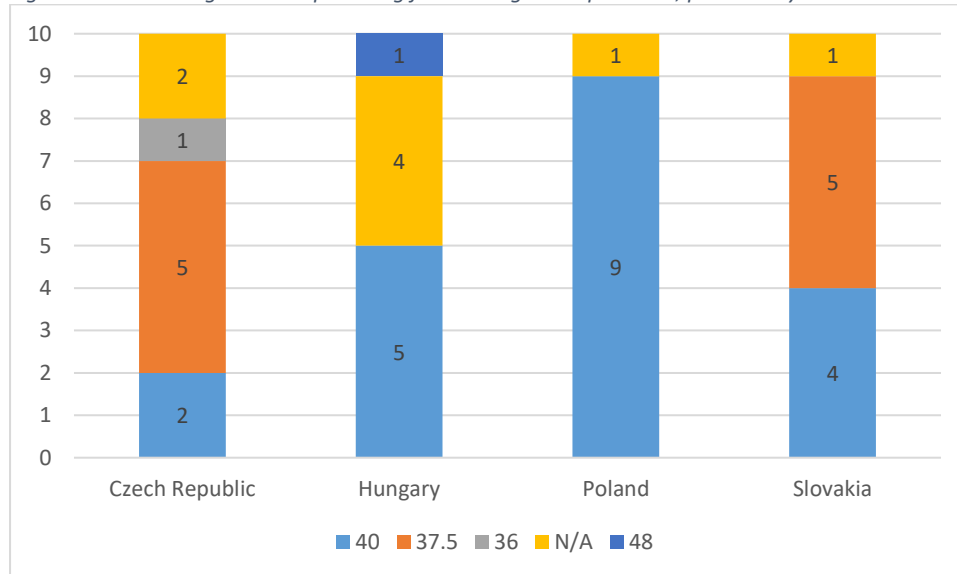


Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

## 4.2 Working Hours

Various provisions on working hours are one of the most common parts in a collective agreement: **all CBAs within our analysed sample contain some clauses on working hours**. The best comparison between countries can be made by working hours per week since a majority of CBAs (31 out of 40) determine working hours in this timeframe (while 19 CBAs have working hours per day agreed). The median working hours per week is 40 across the region, with slight country differences: **Polish and Hungarian CBAs tend to have longer working hours per week agreed than Czech and Slovak agreements**. There are no Hungarian and Polish CBAs with less than 40 hours per week agreed: all 9 Polish agreements determining such working hours provide for 40 hours, while 4 out of 5 such Hungarian CBAs agree on 40 hours and 1 stipulates 48 hours (in a framework arrangement where the annual average working hours per day should be still 8 hours and but can be max. 48 hours per week). The other Hungarian CBAs all indicate a maximum time or lay down that working hours is part of individual agreements; e.g. in higher-level agreements it is determined for each company or unit. In comparison, 5 Slovak CBAs have 37.5 working hours per week agreed (4 have the 'standard' 40 hours) and, in addition to 5 CBAs having working 40 hours agreed, 2 Czech CBAs include 37.5 weekly working hours and one even 36 working hours each week (however in this case working hour may still reach up to 40 hours per week since many workers may have multi-shifts – the specific employer is the Czech Railways). Weekly working hours that are shorter than 40 hours are usually typical for public employers, only one Czech private employer applies 37.5 hours in a higher-level agreement.

Figure 7 Collective agreements providing for working hours per week, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

**Overtime hours** are also a frequent part of CBAs: 24 CBAs (or 60% in total), i.e. 8 Czech, 7 Hungarian, 6 Slovak and 3 Polish CBAs include relevant provisions. Due to different time periods used, a comparison is not as straightforward as for other variables, but a country-level comparison concerning max. overtime hours per week and per year shows **stark differences between country regulations**. No real assessment can be provided for Poland where the 3 CBAs containing overtime hour regulations considerably vary (with different time periods used, e.g. max. overtime of 250 hours per year, max. 48 hours working time per week in a year, or max. 12 hours per day that should round up to an average of 40 working hours in a 4-month reference period), but comparison between Czech (and Slovak) agreements and Hungarian agreements shows a **generally higher maximum overtime hours per year in Hungary** than in other V4 countries: out of the 7 CBAs with overtime clauses, 4 specifically allows for 300 working hours per year in overtime (a legal threshold in Hungary), 1 CBA stipulates 250 working hours per year, and 2 CBAs only provide for weekly overtime (and, if added up, in case of one of these CBAs the weekly overtime hours would even reach more than 300 hours). This can be attributed to the effect of the new Labour Code allowing specifically for a max. 300 annual overtime hours in most cases.

In the Czech Republic the maximum annual overtime hours that can be worked is 150 hours in 4 CBAs (out of 8 CBAs). It must be mentioned that Czech agreements tend to rather include overtime hours per week, which is in all 8 hours per week in all 8 agreements when such provisions are mentioned. Therefore, on a weekly level Czech CBAs provide for longer overtime hours than their Hungarian counterparts, but mostly these are restricted by provision on max. annual overtime. The Slovak case is similarly complicated as the Polish one but, if indicated, generally shorter weekly overtime hours are guaranteed in CBAs – 2 agreements have less than 8 weekly hours, 1 agreement has 8 weekly hours, 3 agreements have regulations varying per unit or employee type and 4 agreements have no such provisions.

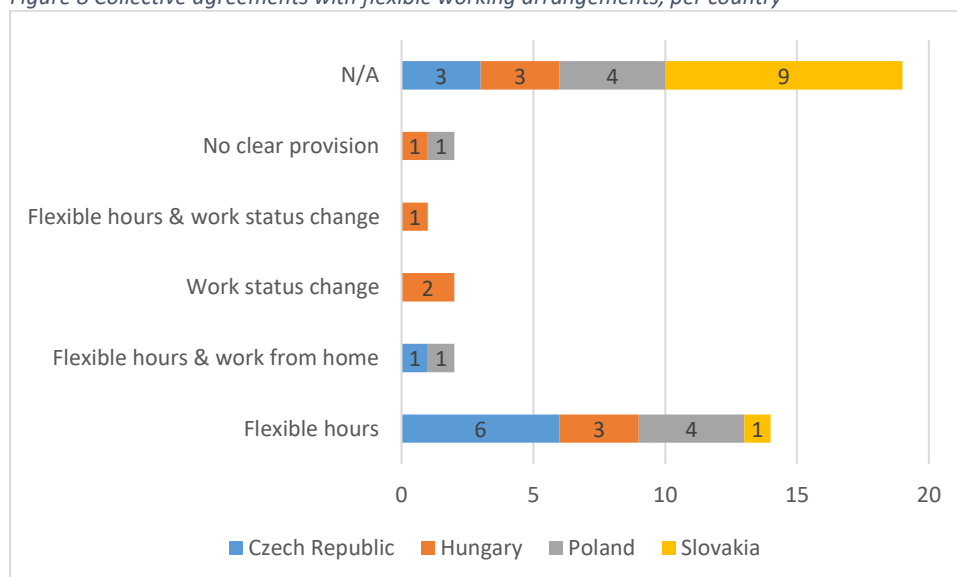
**Paid annual leave is also a common** provision agreed at collective bargaining across the region, **with the exception of Slovakia**. 19 CBAs refer to paid annual leave: no Slovak agreements do so, while 7 Czech, 7 Hungarian and 5 Polish CBAs have such a reference. Unfortunately, comparison of more specific details is not possible since no concrete time is given in most cases. CBAs may refer to Labour Code, only give basic references with details left to individual agreements or provide specific leaves to various types of employees (all cases true of all three countries where such clauses are part of CBAs). Generally, the same is true for **schedules and rest periods** agreed in the agreements. Most of

the CBAs have some references about them (26 CBAs – 8 Hungarian, 7 Polish, 6 Slovak and 5 Czech CBAs), but the concrete regulations are either missing or too complicated for a proper comparison, dependent upon employer type, employee type and work type (e.g. multi-shift work or working time arranged in framework timeframes).

As regards **leave provided for trade union officials**, 24 out of 40 CBAs (60% in total) enable them, with the following country breakdown: 7 Hungary, 6 Czech Republic, 6 Slovakia, 5 Poland. Duration is only given in case of 5 agreements, to a varying degree, ranging from 1 day to 20 annual days. While most CBAs are ‘silent’ in the concrete details on trade union leave, Polish private firms (5) tend to include more detailed regulations, mainly concerning remuneration but also days offered per year.

Similar to paid annual leave, **flexible working arrangements are also common** in collective agreements across the region, **with the exception of Slovakia**. 21 CBAs have some kind of mention or specific details on flexible working arrangements: 7-7 Czech and Hungarian and 6 Polish CBAs contain such clauses, while only 1 Slovak CBA does so. As visible from Figure 8, the option of **flexible working hours** is the most frequent flexible working arrangement applied across the region, it is mentioned in 16 CBAs (with or without other arrangements), no other arrangements come even close in prevalence. A few mentions of work status change (3), e.g. from full-time to part-time job, or home work (2) is referred to. The only CBAs where more flexible work arrangements are optionally mentioned is the Czech higher-level agreement for civil servants, as well as the Hungarian Post and the Polish branch of Zywiec beer company. It generally seems so that **public employers use the option of flexible working arrangements** in their agreement **more often** than private firms: 10 out of 25 CBAs with private employers (40%), and 9 out of 15 CBAs with public employers (60%) have such options agreed.

Figure 8 Collective agreements with flexible working arrangements, per country



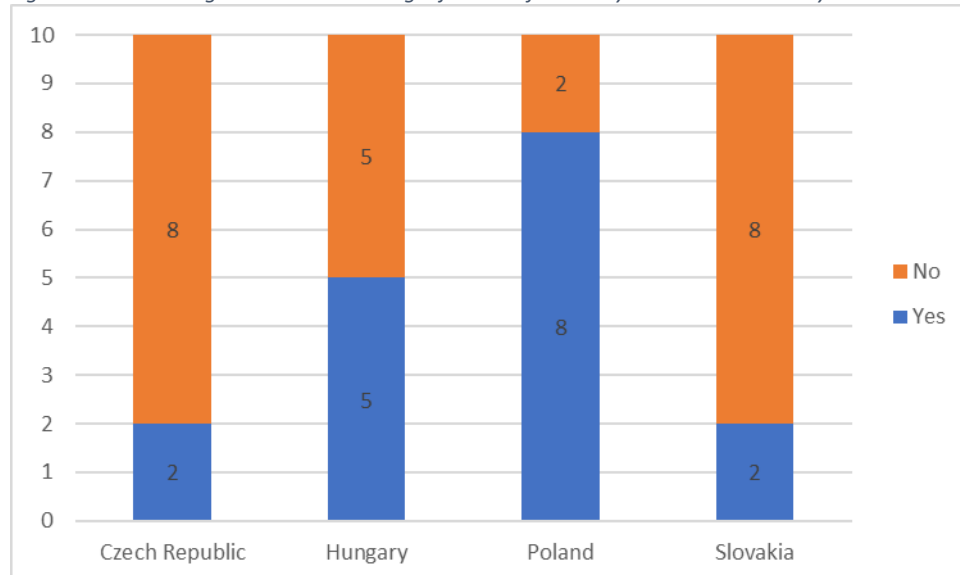
Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

### 4.3 Employment-related Provisions

As regards employment relations, 17 CBAs (or 42.5% in total) contained a **job classification system** but to varying degrees in different countries. As visible in Figure 9, the majority of Czech and Slovak CBAs did not feature a job classification system, while Hungarian CBAs were evenly split and the majority of Polish CBAs detailed such systems. The latter finding can only partly be explained by the higher prevalence of private CBAs within the Polish dataset since there is no significant difference between private and public bargaining in terms of including such a classification system. The only significant difference between Poland and other Visegrád countries seems to be the higher willingness

of MNEs in Poland to include a job classification part within the respective agreements: 6 out of the 7 Polish MNEs do so, while no MNEs in the Czech Republic or Slovakia used this solution. However, the only MNE in Hungary (ISD Dunaferr) to have a job classification has also incorporated a set of job descriptions (descriptions generally including duties, purpose, responsibilities, scope, and/or working conditions of a job along with the job's title) within the CBA. Otherwise, there is no other precedent of having such job descriptions within the agreements. **In place of job descriptions, CBAs refer to job classification in the Visegrád countries if covering this aspect at all.**

Figure 9 Collective agreements containing a job classification system in each country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

If we check the **job classification systems** in more detail, we see that only a few of them refer to some external legal acts to follow, while most of them **are established at an organisational level** on the basis of certain internal criteria. Depending on the specific employer type, job classification schemes stipulate job grades or categories – and related basic wages or remuneration levels – according to three broad categories:

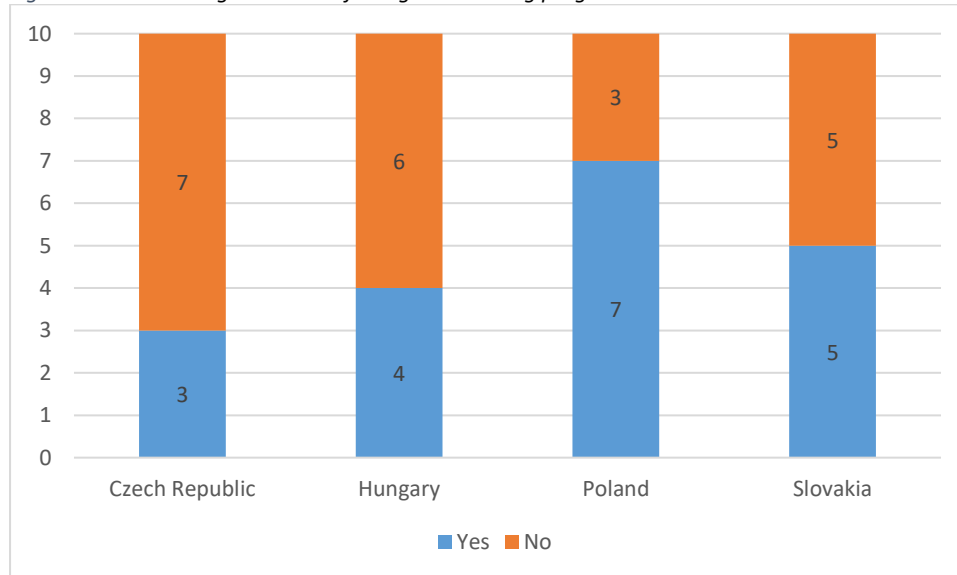
- (1) **pre-existing job requirements**, such as qualification, competences, length of relevant education or professional training, acquired work competences, and/or
- (2) **characteristics of the work performed**, such as complexity, level of responsibility, decision-making required for work or difficulty of working conditions (in case of physical workers), and/or
- (3) **employee features periodically evaluated by the employer**, such as achieved results, satisfaction with work performance, workplace behaviour and professionalism.

Most of the systems include a mix of the following variables, mostly from category 2 and 1. If category 3 elements, i.e., subjective evaluation is included then this is represented in the adjustment of the basic wage stipulated for a given grade. Overall, the grades are set so that they correspond to the type of work performed and the professional skills necessary for carrying out the work, taking into account the quantity and quality of the work carried out.

With regard to **training opportunities**, 19 out of 40 CBAs contain some references to training provided. Polish and Slovak agreements were the most likely to add such provisions within the agreements. There is no significant difference per sector, bargaining level or employer type with regard to the mentioning of trainings. **Hungarian CBAs refer to training programmes in very general terms**, e.g. only the rules of contracts supporting training of employees are stipulated, or only the extra free days for study and exam purposes are mentioned, or the CBA refers to compulsory training courses by law

but does not give any more details. The agreements from other countries, in particular from Poland are more likely to go into more details, e.g. on topics, costs, length and qualification to be obtained by training. Use of **training funds is not common**, certain provisions in this regard were mentioned in 1 agreement per each country (in the Hungarian and Polish cases the details were given in some internal regulations and not within the CBA).

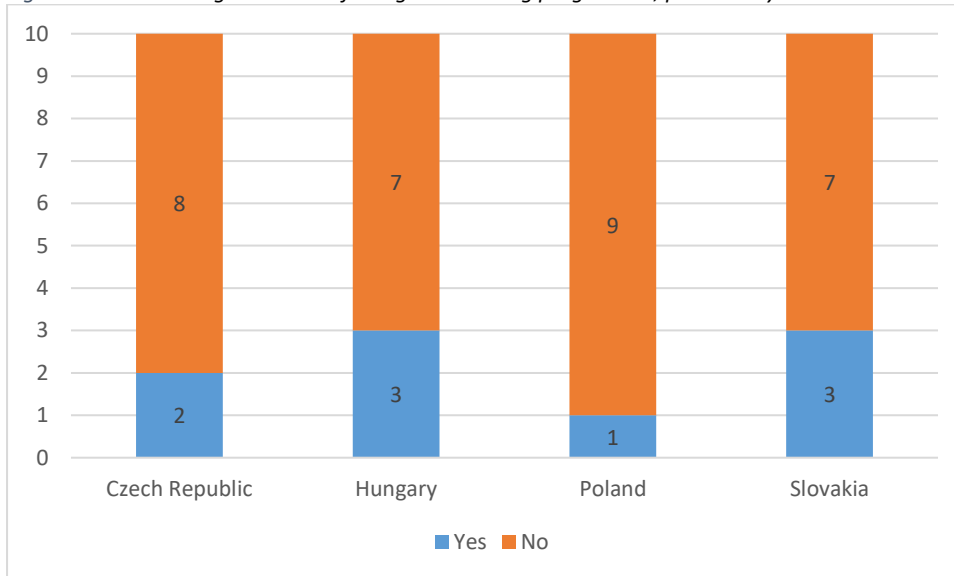
Figure 10 Collective agreements referring to a training programme



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

**Apprenticeships** are more rarely featured in CBAs and – opposite to trainings – Polish agreements refer to apprenticeships the least (only one CBA), while Slovakia and Hungary have the most agreements with such clauses (the overall number is still low with 3 CBAs). Interestingly, **Hungarian CBAs tend to give the most exact details on apprenticeships** (unlike in case of training provisions), e.g. the Hungarian Railways (MÁV), one of the largest public companies lays down detailed rules on employers taking apprentices. In overall, public entities are more likely to include apprenticeships within their collective agreements, and MNEs do not really cover such provisions (only in 2 cases out of the analysed 40 CBAs).

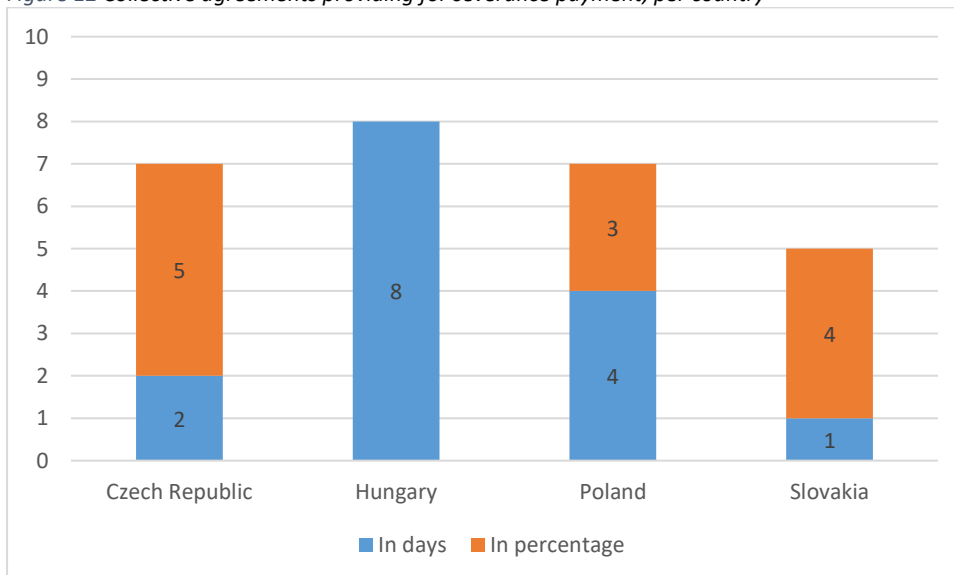
Figure 11 Collective agreements referring to a training programme, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

**Severance payments** are mentioned in the majority of CBA across the region (27 out of 40 in total), with a slight country-level variety – see Figure 12. As regards the method of determining the amount of severance payment, a **dichotomy between Czech-Slovak and Hungarian CBAs** (with inconclusive data on Poland where the two main types seem the most balanced) is apparent. In Hungary, all CBAs refer to a severance payment offered in days, while in the Czech Republic and Slovakia, the dominant form is to offer severance pay in percentage of salary. The method of indicating severance pay in relation to a specific percentage of wages does not seem to be widely applied in Hungary.

Figure 12 Collective agreements providing for severance payment, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

In case concrete numbers are stipulated (and the CBA does not refer to law or has insufficient data), **always 100% of the salary is offered to a worker with 1 year of service** (1 CBA in Slovakia, 2 CBAs in the Czech Republic, 2 CBAs in Poland). In case of workers with 5 years of service, there is a higher variation and the highest percentage is ensured in the Czech Republic where 3 public employers offer 300% of the last salary. Slovak public employers offer slightly less, either 200% (2 CBAs) or 250% (1

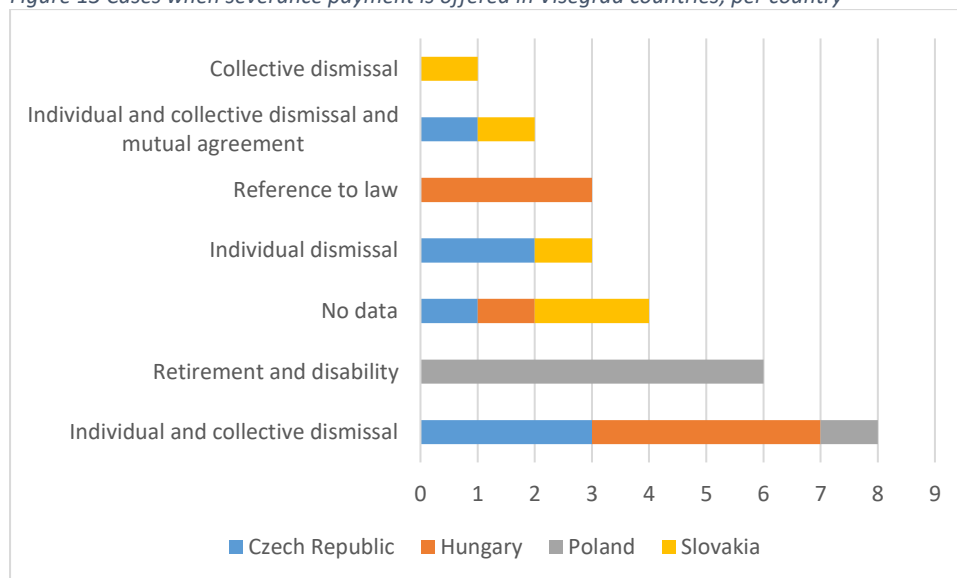


CBA). The least percentage is offered by private employers in the Czech Republic and Poland where more years do not cause a difference and still 100% (or in case, 150%) of the salary is paid out as severance pay.

Concerning CBAs stipulating severance payment in days, data is sporadic. In Hungary, most of the CBAs do not provide sufficient data or refer to law, GE Hungary is an exception where 30 days for an employee with 1 year, and 60 days for an employee with 5 years of service is ensured. There is a great variation of days serving as a basis for severance pays for employees with min. 5 years of service: mostly 60 days are mentioned (1 Czech, 3 Hungarian CBAs), while in Poland 30 days seems to be the standard. Looking at the whole dataset, it seems so that **Polish employers are less generous** concerning severance payment, irrespective of being offered in days or wage percentage. On the other hand, 120 days is offered by Slovak Telekom (only Slovak CBA explicitly giving a duration) and in case of higher-level agreement for the electricity sector in Hungary – these are the best cases in the dataset.

When we check in which cases are severance payments offered, we find that individual and collective dismissals are the main reasons. Out of the 27 CBAs with severance payment provisions, 8 agreements provide for severance benefit if an employee is individually or collectively dismissed. This is the most likely reason in the Czech Republic (3 CBAs) and Hungary (4 CBAs) – in case of Hungary, 3 other CBAs explicitly refer to Labour Code, which basically also means that they can be counted towards those agreements providing severance payment for collective and individual dismissals.<sup>7</sup> In Slovakia no such trend is visible, with 1-1-1 agreement referring to (only) individual dismissal, (only) collective dismissal, and both for individual and collective dismissals, coupled with mutual agreement. **In case of Poland, a country-specific provision is relevant for severance payment cases:** 6 out of 7 CBAs indicate that this benefit is only given when the employee becomes eligible to old-age or disability pension. Slovak Telekom and the Prague Public Transport Company serve as best practices in the region, i.e. having such agreements where severance pay is also offered for mutually agreed terminations.

Figure 13 Cases when severance payment is offered in Visegrád countries, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

Compared to severance payments, **trial periods are rarely indicated in collective agreements** in the Visegrád countries, except for Hungary. Only 1 private multinational company made an explicit reference to trial periods in Slovakia and the Czech Republic. In contrast, almost all Hungarian CBAs

<sup>7</sup> Based on the current legislation, employees can get severance payment if they are dismissed or their employment is terminated due to the employer being wound up without a legal successor or due to a change of legal relationship – See Act I of 2012 on Labour Code, Section 41 on Severance Payment - <https://net.iogtar.hu/jogszabaly?docid=a1200001.tv>.

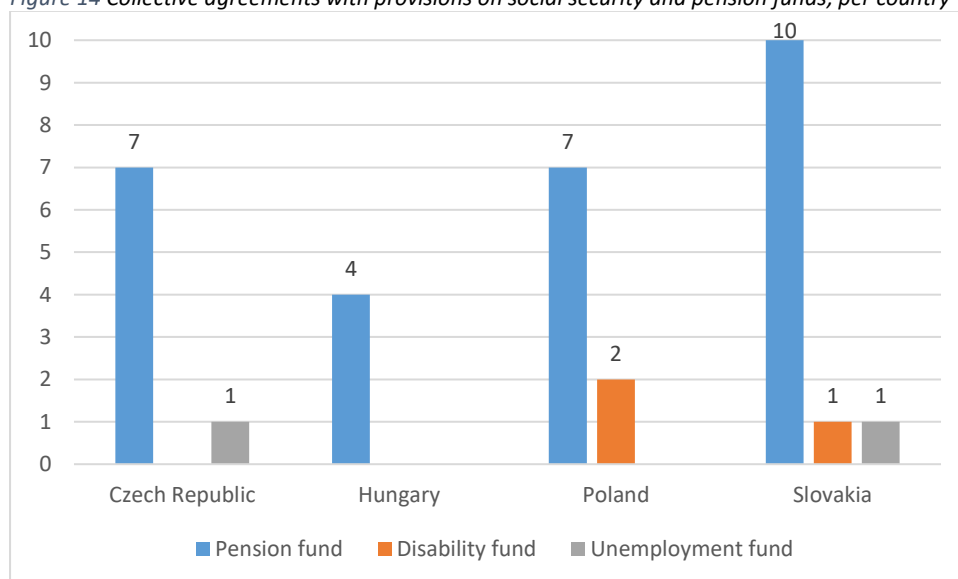
have provisions on trial periods, with 7 agreements mentioning it and 5 also specifying a concrete duration. 3 CBAs from Poland also provide for trial periods, making the overall number of CBAs with trial periods 12 out of 40 (30%).

Due to these dissimilar representation within CBAs per countries, it is difficult to make a comparison or valid assumption about the average length of trial periods. **90 days seem to be the most commonly required trial period:** this is true for the sole examples in Slovakia and the Czech Republic, and all three Polish CBAs. Out of the 7 Hungarian CBAs with trial period sections, 2 do not refer to a specific length of time, 4 require 90 days and MNE provides for a maximum period of 180 days (which is an option thus the average length is not immediately observable but can be assumed to be less than 180 days).

#### 4.4 Social Security and Pensions

The overwhelming majority of CBAs from Visegrád countries have some kind of provisions on social security and pensions included in the agreements: all Slovak CBAs have such provisions, while 2-2 Czech and Hungarian and 1 Polish agreement do not (35 out of 40 agreements or 87.5%). In order to better understand the detailed content on social security and pension within the agreements, questions on three funds (pension, disability and unemployment) were included in the COBRA system. As visible in Figure 14, the most relevant fund included in the agreements is the pension fund, while the other two fund types are not covered by collective bargaining. It is most likely that bargaining results in the inclusion of at least one type of social security fund in Slovakia where all analysed agreements (with 1 higher-level agreement only mentioning that the concrete details should be negotiated at company level) had provisions on pension fund and 1-1 agreement on disability and unemployment fund. In contrast, **social security and pension funds are usually not a part of the collective agreements in Hungary** where only 4 CBAs had some provisions on pension fund, with disability and unemployment funds bearing no relevance. It is very rare to apply more than one funds in a company: only one private enterprise exists in Slovakia which utilizes all three forms of social security funds, while one private firm in the Czech Republic has a pension fund and unemployment fund, and two private companies in Poland have a pension fund and a disability fund.

Figure 14 Collective agreements with provisions on social security and pension funds, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

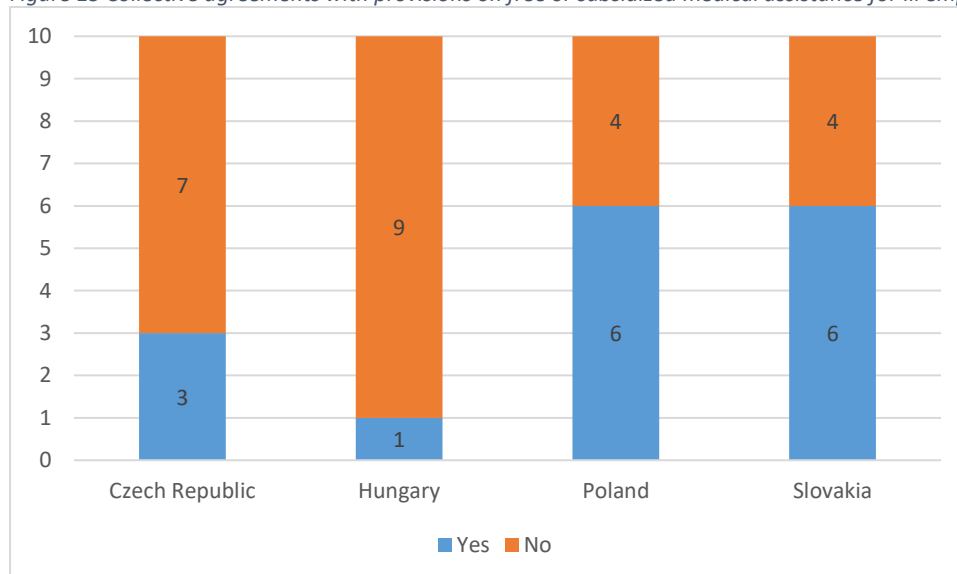
In general, it is more likely that **private enterprises will include provisions on such funds.** There is no disability or employment fund which was agreed for a public organisation and, out of the 28 pension

funds, only 8 were negotiated for a public organisation, in the following country breakdown: 4 from Slovakia (40%), 2 from Czech Republic (28.5%), 1 from Hungary (25%), 1 from Poland (14.25%). If the transnational character of private companies is checked, we further observe that only MNEs provide for unemployment or disability funds – domestic firms do not cover such funds in their collective agreements. As regards pension funds, Slovak and Czech MNEs all have these funds covered (2 and 3 respectively) and the majority of Polish MNEs too (5 out of 7). In case of Hungary, 1 MNE has included pension fund in its agreement and one has not.

## 4.5 Health and Medical Assistance

Health and medical assistance are usually included with certain clauses in the agreements. Overall, 10 Polish, 9 Czech, 8 Slovak and 5 Hungarian CBAs had arrangements for health and medical assistance within the agreements (32 out of 40 CBAs; 80% in total). If we check one of the most crucial issues concerning health and medical assistance, namely **free or subsidized medical assistance** provided to ill employees, we find the following pattern: more than half, i.e. 6 Slovak and 6 Polish agreements include this, but only 3 Czech and 1 Hungarian CBAs do so. It is very seldom that this assistance is available to relatives, only in 1 Hungarian and 1 Polish CBA stipulates so. The lack of subsidized medical assistance is compensated by another provision in most of the Hungarian CBAs, namely by the provision of employer contribution to health insurance of the employees. Next to 1 Polish and Czech agreements, a total number of 5 **Hungarian CBAs have clauses on health insurance contribution** by employers. This is predominantly provided for as an option in the employees' benefits package in the framework of which employer may contribute to the voluntary health fund. Usually, the maximum annual amount of such a contribution is included in Hungarian agreements.

Figure 15 Collective agreements with provisions on free or subsidized medical assistance for ill employees, per country

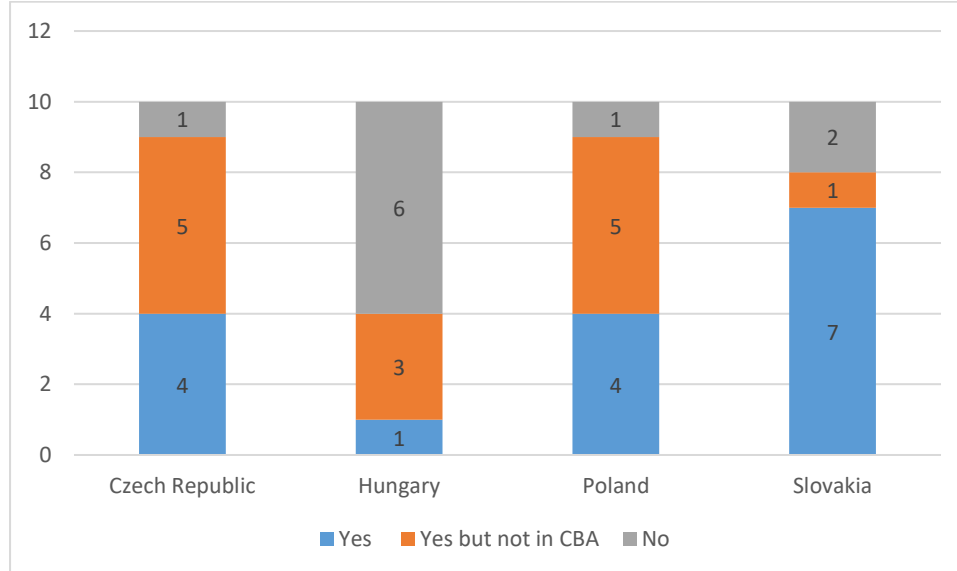


Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

Another provision frequently included in CBAs refers to the **health and safety workplace policies** (30 out of 40 CBAs). Once again, Hungary is the country with the least frequently mentioned health and safety workplace policies (4 out of 10 agreements), while there are just a few agreements in the other V4 countries where such a provision is missing (1-1 in the Czech Republic and Poland and 2 in Slovakia). **Slovakia is the only country where the majority of CBAs explicitly contain a health and safety workplace policy**, while in the Czech Republic and Poland half of the sampled CBAs do only mention a relevant document which is not included in the agreement and thus cannot be further analysed (see Figure 16). In addition, to confirm the importance of health and safety workplace policies, most of the

CBA with relevant clauses also include a reference to the fact that the relevant occupational safety and health law, or code of practice will be adhered to. Out of the agreements mentioning health and safety workplace policies, 7 out of 9 in the Czech Republic, 6 out of 9 in Poland, 5 out of 8 in Slovakia and 3 out of 4 in Hungary has this reference too.

Figure 16 Collective agreements with provisions on health and safety workplace policies, per country

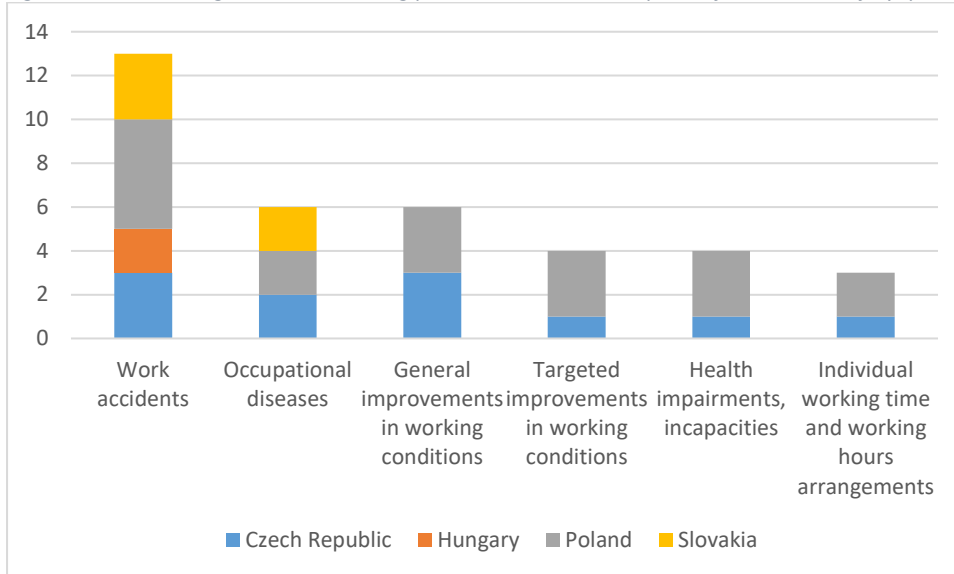


Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

Looking at the individual health and safety workplace policies, 16 agreements have clauses **on regular or annual medical check-ups** or visits, broken down among countries as follows: 8 Poland, 4 Czech Republic, 2 Slovakia, 2 Hungary. **Poland seems to be the only Visegrád country where annual medical check-ups are a regular part of collective agreements.** Furthermore, 14 agreements have clauses on **health or safety training**, broken down among countries as follows: 6 Czech Republic, 5 Poland, 2 Slovakia, 1 Hungary. Other 2 Hungarian CBAs with clauses on health and safety workplace policies include safety training as an optional part of the annual training programme offered by the employer (no further regulations provided in the agreements). Such trainings are usually part of collective agreements of manufacturing and construction firms where manual labour requires strict adherence to safety rules. In case of public (education) employers, often just adherence to the Labour Code is mentioned (this is the case in the Czech Republic).

In addition to medical checks and training, other health and safety provisions are also included in CBAs to a lesser degree. In total, 17 CBAs contain some measures related to health and safety at the workplace: 12 agreements include more than one provisions, and 5 agreements only one provision. The 2 Hungarian CBAs dealing with such provisions have only one aspect covered: work accidents. **Work accidents is by large the most covered health and safety provision** within CBAs in each country, followed by occupational diseases and (general) improvements in working conditions. In addition to the 2 Hungarian and 3 Slovak CBAs, 5 Czech and 7 Polish CBAs include a variety of these safety measures – in the latter two countries CBAs also tend to contain provisions on more than one safety or health aspect. Two MNEs in Poland (Skanska and Leonardo) can be seen as best-case practices since their collective agreements cover all the aspects listed in Figure 17 to a varying degree.

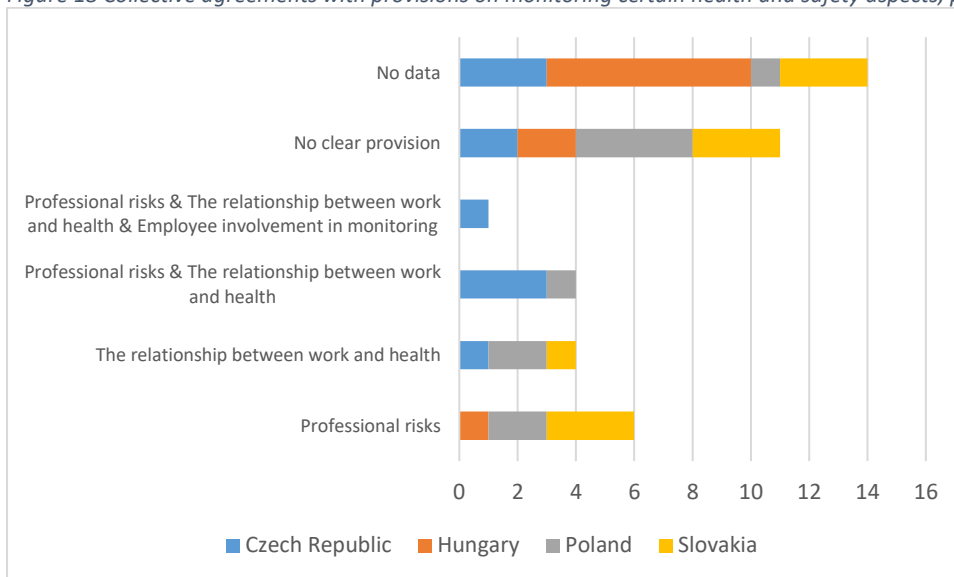
Figure 17 Collective agreements including provisions on various aspects of health and safety, per measure



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

Finally, some of the agreements also include provisions on monitoring some aspects related to health and safety at the workplace. 14 agreements have no such data and 11 provide us with no clear provisions; the remaining 15 agreements tend to have monitoring regulations and/or systems established for professional risks (in 11 cases) or for the relationship between work and health (9 cases). As for differences between countries, there is only one Hungarian agreement dealing with monitoring of professional risks, while Czech CBAs have a tendency of including monitoring systems for more health and safety aspects (4 out of 10 do so). The Prague Public Transport Company has the only concluded agreement which includes not only monitoring of professional risks and the relationship between work and health but also how employees are involved in such monitoring processes.

Figure 18 Collective agreements with provisions on monitoring certain health and safety aspects, per country



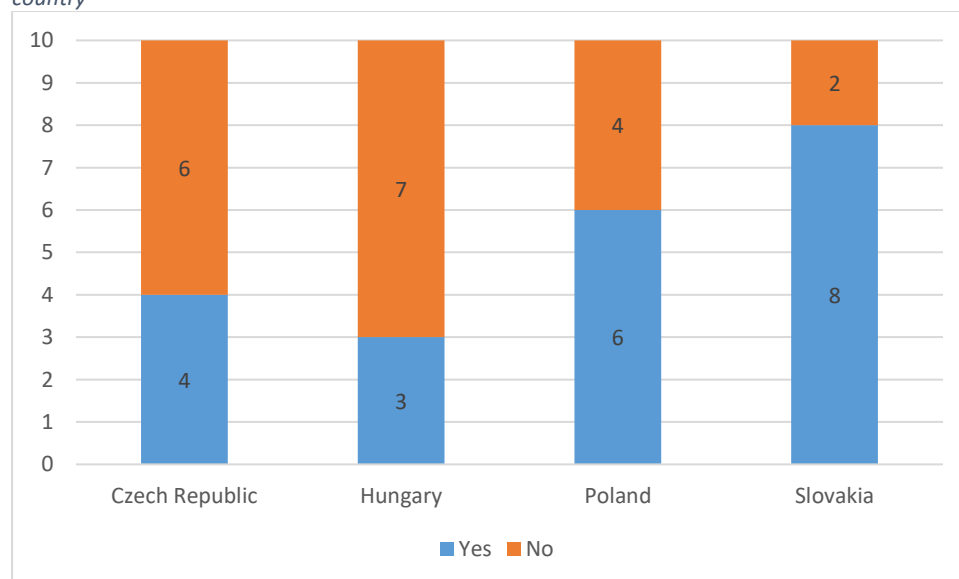
Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

## 4.6 Sickness and Disabilities

Sections on sickness and disability are featured in almost all CBAs in Visegrád countries: 34 out of 40 agreements have such provisions, with only 3 Hungarian, 2 Czech and 1 Polish missing them. Next to more general paragraphs, provisions on **sick leave payment** are much less frequently included in agreements. Sick leave is mentioned only in 13 CBAs (32.5% in total), with the following country breakdown: 6 Hungarian, 4 Slovak, 2 Polish, 1 Czech. 12 CBAs determine sick leave through a percentage of the basic wage, and only 1 CBA (Prague University of Economics and Business) provides for a maximum amount of hourly allowance. The percentage given for sick leave varies considerably, from 55% to 100%, with an average of around 90% and median of 70% among the 12 CBAs. It must be mentioned that most Hungarian CBAs refer only to the Labour Code (5 out of 6 agreements), which basically means a 70% sickness payment rate of basic salary.<sup>8</sup> Only one Hungarian agreement gave a higher (85%) sick leave payment rate. **Very few mentions are made to maximum days of sick leave.** All Hungarian and – with one exception – all Polish CBAs refer to Labour Code. 1 Czech and Slovak agreement contain further rules but they are quite complex and do not enable a more detailed comparison.

As another important section on sickness and disabilities, **provisions on payment for disability** caused by work accidents or working conditions are included within 21 out of the 40 CBAs. Figure 19 shows that Slovakia and Poland are more likely to feature such provisions in collective agreements than Hungary and the Czech Republic. Similar to sick leave provisions, Hungary and Poland tends to refer to Labour Code regulations, while Czech-Slovak agreements contain no specified amounts, references to individual agreements or other documents and in few cases (1 and 1 CBA in both countries) a concrete amount to be paid to the relevant employee.

Figure 19 Collective agreements with provisions on payment for disability due to work accidents or working conditions, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

<sup>8</sup> In reality, calculation for the so-called 'payments for periods of absence' can get more complicated but 70% of average salary is a good approximation for the majority of cases – see Act I of 2012 on Labour Code, Section 61 on Sick Pay - <https://net.iogtar.hu/jogszabaly?docid=a1200001.tv> .

## 4.7 Work-Life Balance

Collective agreements across the Visegrád region **do not have provisions on work-life balance in their focus**. It is very seldom that such provisions are included at all. The clauses on ensuring a better work-life balance are outside the scope of collective bargaining in Visegrád countries.

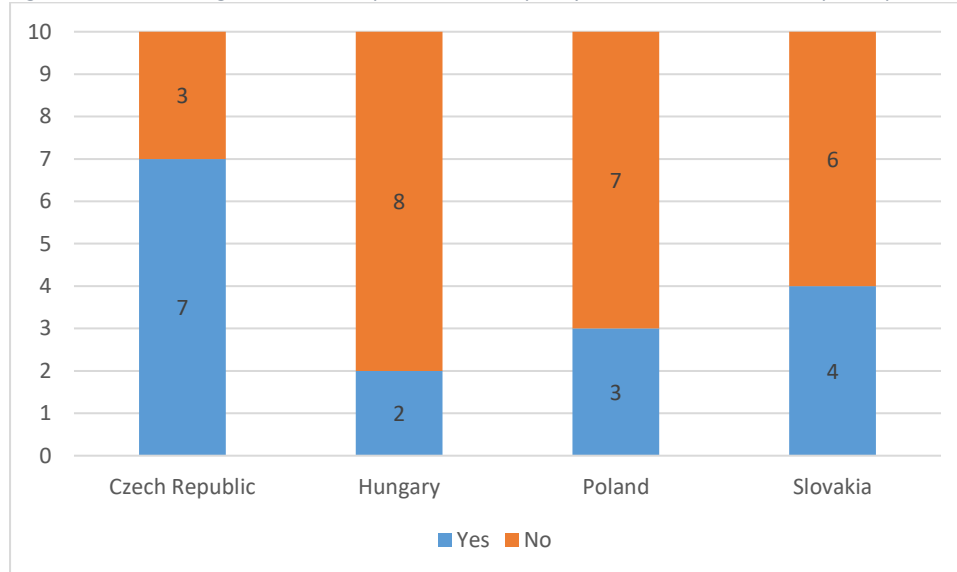
In case relevant provisions are included, they mostly relate to **paid leave** offered in various challenging life situations. 11 agreements have clauses on paid leave in case of death of close relatives: 7 Czech, 2 Slovak, 1 Hungarian and 1 Polish CBAs included this benefit. The average length is 2.25 days, with a median of 2 days – 1 day is the shortest time offered and 4 days is the longest time offered. 6 agreements also provide for paid leave in case a dependent relative (e.g. children) have to be cared for: 2 Slovak, 2 Czech and 2 Polish CBAs included this benefit. There is a greater variation of leave time offered than in case of a death: 2, 3, 10 and even 60 days are also offered with detailed regulations.

Parental leave arrangements are not usually stipulated in collective agreements. Certain provisions on paid maternity leave are only mentioned in 2 CBAs (1 Hungarian and 1 Polish), while clauses on paid paternity leave are mentioned in 3 CBAs (2 Czech and 1 Polish). They offer 1 extra day for fathers at the birth of their children. As regards pregnancy-related provisions, the most frequent clause concerns ensuring the health and safety of pregnant and/or breastfeeding employees: 6 agreements (2 Hungarian, 2 Polish 1 Slovak, 1 Czech) mention this, while an employer-subsidized childcare facility is provided for in the agreement of the Hungarian State Railways. In addition, monetary tuition or subsidies for the children's education is incorporated within the 3 Hungarian and 1 Polish CBAs. There are also few arrangements included in agreements with regard to employer support to older children. Employer-provided childcare facilities are only mentioned for the two public universities in the Czech Republic.

## 4.8 Gender Equality

Some provisions on (gender) equality and/or violence at workplace are not included in more than half of the agreements in each country, except for the Czech Republic. It is in particular rare in Poland and Hungary (3 and 2 CBAs) to apply such provisions as result of collective bargaining. When the concrete content of such provisions is checked, the most likely is that **discrimination in general** is addressed within agreements: all agreements with clauses on equality address discrimination in some institutionalised form. It is also very likely that agreements have clauses ensuring '**equal pay for work of equal value**' included in agreements: 3 out of 3 Slovak, 2 out of 3 Polish and 5 out of 7 Czech agreements do contain such clauses. The exception is **Hungary where no CBAs in the dataset contain clauses on 'equal pay for equal work'**.

Figure 20 Collective agreements with provisions on equality and/or violence at workplace, per country



Source: WageIndicator CBA Database, selection Visegrád countries, accessed 25 Jan 2021

In contrast to general discrimination and equal pay principle, it is much less likely that agreements explicitly contain references to **'gender'**. Out of the 16 CBAs with clauses on equality, only 5 (2 Czech, 2 Polish and 1 Slovak) agreements include a specific mention on 'gender'. Again, **in Hungary no CBAs in the dataset include specific reference to 'gender'**. When individual provisions are looked upon, Slovak agreements seem to be the most specific: the same 2 Slovak CBAs have concrete clauses on equal opportunities for promotion for women employees, as well as on equal training options for women employees. The least likely is to have provisions on **violence or sexual harassment** included within the agreements: it is only mentioned in quite general terms in 1 Czech and 1 Slovak CBAs. In overall, gender equality and its implementation and monitoring at workplaces is not part of the collective bargaining, formalised solutions, such as gender equality officer or monitoring committee is not part of the CBAs in Visegrád countries.

## 5 Conclusions

From the non-existent or not well-functioning state socialist systems of "collective bargaining" all countries in the Visegrád region have since then built a decentralised, horizontally and vertically not well-coordinated bargaining system which has a limited impact on working conditions. Due to the 'path dependency' from the state socialist heritage all countries observed declining trade union density and erosion of collective bargaining. Higher-level bargaining is getting weaker in each country, with respective governments introducing more and more employer-friendly regulations in the name of labour market flexibility and economic competitiveness to the detriment of collective negotiation.

Within this political-economic framework we got a snapshot on what is mainly included within a non-representative small sample of collective agreements from the commerce, manufacturing, construction and public sectors within the Visegrád region. Despite the similarities of main topics covered (wages, working hours, social security and pensions and health assistance) and the specific content within these topics, there are some **country-level differences worth highlighting**.

As regards wages, all CBAs have some clauses on them, but **Poland seems to have the most individualised wage-determination system among the Visegrád countries**. Wages are mostly determined in individual contracts in Poland, as opposed to a higher role of state level in Hungary and company / sectoral level in the Czech Republic and Slovakia. This individualised level of wage-setting also manifests in more details about structural wage increases or lowest wages to be paid in Polish



agreements. Once-only extra payments are also more common within Polish (and Hungarian) CBAs. The level of wage-setting however does not have a significant impact on premium and allowances types used or their rates.

Similarly, all CBAs have some clauses on working hours, but there seems to be two groups with contrasting characteristics within the region. Compared to the Czech Republic and Slovakia, **Poland and Hungary have longer working hours and longer overtime allowed** – especially in Hungary where this can reach an annual amount of 300 hours. This can be attributed to recent legislative changes allowing for a higher labour market flexibility beneficial to employers. Similar flexibility to the employee side is not that relevant since flexible working arrangements are not commonly applied and they are generally confined to flexible working times (no other ‘more creative’ solutions). The fact that flexible working time is offered more frequently by public employers in the region showcases the influence of employers during collective bargaining.

Employment-related provisions are not as commonly featured as their importance would deserve. Job descriptions are missing from almost all CBAs, with job classification systems being present in less than half of them, and even this can be attributed to the willingness of Polish MNEs to include such classifications. Interestingly, clauses on training or trial periods are not common in agreements either. The only exception is severance payment which is featured in most CBAs. Here we can see a difference between Hungary and the other countries in terms of severance pay determination – Hungary is the only country to have payment be determined in days rather than percentage of salary. **Poland** is again slightly different because it **offers less generous severance pay and only in cases when the employee becomes eligible for old-age pension or disability pension** (other countries offering it mainly for individual and collective dismissal cases).

While clauses on social security and pensions are present in almost all CBAs, two types of funds are not used at all in the region, namely disability and unemployment funds are only mentioned in really few agreements. In contrast, pension funds are widespread in the region, except for Hungary where the majority of agreements does not include them. **The absence of pension funds in Hungarian CBAs can be explained by legislative differences** to the Czech Republic and Slovakia where second and third pillars of pension provision plays a much higher role.

There are also differences between countries with regard to health and medical assistance provisions. **Free or subsidized medical assistance is much commonly offered in Poland and Slovakia than in Hungary or Poland.** In Hungary, rather health insurance contribution plays a more accentuated role than in the other Visegrád countries. In Poland, annual medical check-ups are much more frequently included in agreements than in the other V4 countries. **Slovakia is the only country which explicitly contains a health and safety workplace policy in most of its agreements** – the other countries tend not to have them or only include a reference to an external document.

In the framework of the less frequently featured topics Hungary has the most agreements with sick leave payment, the Czech Republic has the most agreements with a paid leave offered in case of death of a close relative or with clauses on discrimination in general. Hungarian collective bargaining seems to bother the least with issues on discrimination, gender equality (including equal pay) and sexual harassment or violence.

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