



**WORKERS DEMAND A NEW SOCIAL CONTRACT FOR RECOVERY AND RESILIENCE**

## WORKERS NEED DURABLE RESPONSES TO THE MULTIPLE CRISES

Lithuania has been directly impacted by the multiple crises which have emerged following the Covid-19 pandemic. Along with other countries in the region, it was directly affected by the migrant crisis generated by Belarus and then the influx of refugees fleeing Russian aggression in Ukraine. Support for the reception and integration of refugees was put in place to address the situation.

The government’s response to the cost-of-living crisis has been mixed. Trade unions welcome the subsidies introduced to help households and businesses meet rising energy prices, the investments made to enhance the country’s energy independence, as well as increases in the minimum wage. However, there was no decision to cap food prices, which went up by 30 per cent compared to the year before. In addition, trade unions believe that the decision of the central bank to raise interest rates in the hopes of curbing inflation will have negative implications for households, while favouring banks which are set to profit from the decision.

To combat the climate crisis, the government launched initiatives encouraging the transition to renewable energy sources and reductions in energy use and greenhouse gas emissions by individuals.

### ARE TRADE UNIONS AT THE TABLE?

The SDG objectives are integrated into Lithuania’s strategic planning documents, such as the National Strategy for Sustainable Development and the National Progress Strategy ‘Lithuania 2030’. In 2016, the National Commission on Sustainable Development was replaced with an inter-institutional working group for SDGs implementation. Consisting of representatives of all ministries, this working group is coordinated by the Ministry for the Environment, with the Ministry for International Affairs leading on development cooperation. However, trade unions have reported that the working group has not been meeting regularly, suggesting a lack of political commitment to implement the 2030 Agenda.

The government prioritises work on SDGs 1, 5, 13 and 16. However, trade unions state that not enough resources have been allocated to SDG implementation, hindering effective implementation. An analysis of the

National Audit Office has found that there is a lack of progress on SDGs 2, 10, 14 and 17, and that progress on SDG 13 is regressing.

Trade unions denounce the lack of transparency on SDG implementation, as official information is published irregularly. Social partners are not informed on progress in a structured way or consulted on the design of policy to implement the SDGs. No multi-stakeholder consultation platform exists; while online consultations had been opened some years ago, trade unions do not believe that the input provided has been taken on in a meaningful way. While social partners discuss various topics which are relevant to SDG objectives and targets in the framework of social dialogue, holistic discussions on achieving progress on the 2030 Agenda as such are missing.

#### TRANSPARENCY



Irregular access to limited information

#### CONSULTATION



There is no consultation process at all

#### SOCIAL DIALOGUE



No social dialogue on the SDGs



# IS THE (DECENT) WORK GETTING DONE?

On **SDG 1 (eradicate poverty)**, while indicators for target 1.1 (eradicating extreme poverty) show that only 0.23 per cent of the population lived below the international poverty line in 2021, one per cent of employed people in Lithuania lived in absolute poverty, and 7.5 per cent of workers were at risk of poverty and social exclusion. With regards to **target 1.3 (nationally appropriate social protection systems)**, in 2016, 92.7 per cent of the population was covered by at least one social protection benefit (up from 91 per cent in 2000). However, only 54.1 per cent of the poor population received any social assistance, and only 37.7 per cent of the unemployed were receiving unemployment benefits. On **target 1.a (mobilisation of resources)**, the 2020 budget foresaw an increased investment in social protection – 37 per cent of the budgetary resources.

On **SDG 5 (gender equality)**, further progress must be made on reaching **target 5.4 (recognise and value unpaid care and domestic work)**, as the proportion of time spent on unpaid work was significantly higher for women (17.7 per cent) than for men (9.3 per cent) in 2010. In 2021, only 37 per cent of managerial positions were held by women, a decrease from 41.1 per cent in 2010, signalling a need for additional efforts to meet **target 5.5 (women's full and effective participation)**. While the proportion of seats held by women in parliament increased from 17.5 per cent in 2000 to 28.4 per cent in 2023, this is still far from parity.

On **SDG 8 (decent work)**, progress on **target 8.3 (decent job creation)** is needed, as rates of informal employment in non-agricultural settings stood at 3.6 per cent in 2021, higher for women (5.2 per cent) than for men (1.9 per cent). In addition, at 21.7 per cent in 2021, rates of low-paid work remain high, with women (23.6 per cent) more likely to hold low-paid positions than men (19.7 per cent). At 10 per cent in 2021, the share of precarious work is also hindering the achievement of this target. On **target 8.5 (full and productive employment and decent work for all)**, a gender pay gap of on average one euro in the hourly wages of women and men persisted in 2018 in most professions, with a gap of 13.6 per cent in annual earnings in 2022. The unemployment rate in 2021 stood at 7.1 per cent (7.7 per cent for men and 6.6 per cent for women). NEET indicators for **target 8.6 (youth**

**not in employment, education or training)** stood at 11.3 per cent in 2021, higher than the eight per cent rate registered in 2018. Indicators on **target 8.7 (eradicate forced labour, end modern slavery and human trafficking)** are worrying, with Lithuania ranked as having a medium prevalence of modern slavery, performing worse than its neighbouring countries in the Baltic region. There has been some progress on **target 8.8 (protect labour rights)** as collective bargaining rates went up from 7.4 per cent in 2019 to 25.6 per cent in 2021. The number of labour inspectors as a ratio of the workforce decreased from 1.5 in 2013 to 0.9 in 2021.

Lithuania appears to be slowly reducing social inequalities and reaching **target 10.4 (adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality)**. In 2020, the labour share of GDP stood at 55.1 per cent, a proportion which has been steadily increasing year on year. The income share held by the highest 10 per cent stood at 28.5 per cent, while that of the lowest 20 per cent was 7.1 per cent in 2020. On **target 10.7 (orderly, safe, regular and responsible migration and mobility)**, migrant workers have the freedom of association, although trade unions point out that they do not often avail of it, due to the short periods during which they stay in the country.

To implement **SDG 13 (combat climate change)**, Lithuania has adopted an Integrated National Energy and Climate Plan 2021-2030. However, trade unions believe that not enough emphasis is placed on securing a just transition and fostering green skills.

On **SDG 16 (peaceful and inclusive societies)** and **target 16.3 (rule of law)**, the 2017 Labour Code established a Labour Dispute Committee which facilitates the resolution of labour disputes free of charge.

## TRADE UNIONS ASK THAT NO-ONE IS LEFT BEHIND

Trade unions call on the Lithuanian government to:

- Ensure the transparency of the SDG implementation process by regularly disseminating progress reports.
- Actively engage social partners in a dialogue on policy design for the implementation of the 2030 Agenda.
- Strengthen social dialogue and promote collective bargaining.
- Invest in green and innovative job creation; help workers upskill or re-qualify if their jobs are threatened by the green and digital transitions.
- Invest more in quality public services.
- Increase wages in line with inflation.
- Properly transpose the new EU Directive on Pay Transparency (equal pay for work of equal value) to combat pay discrimination and help close the gender pay gap. Increase the resources provided to the State Labour Inspectorate to monitor the Directive's implementation.
- Expand the right to strike and facilitate the organisation of legal strikes.
- Establish social and green conditionalities (for example, signed collective agreements) for companies applying for public procurement.



LIETUVOS  
PROFESINIŲ  
SAJUNGŲ  
KONFEDERACIJA



This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of TUDCN/ITUC and can in no way be taken to reflect the views of the European Union.