

Ref .N.: 4.17.07.05.5

GOVERNMENT OF THE REPUBLIC OF CYPRUS

Report on

Article 5

of the Revised European Social Charter

THE RIGHT TO ORGANISE

(Reference Period: 1.1.2003 - 31.12.2004)

Replies to Questions A-E of the Form for Reports

Question A

No change in the situation as reported in the last Report of the Government of Cyprus on Article 5 of the 1961 Revised European Social Charter.

Question B

No change in the situation as reported in the last Report of the Government of Cyprus on Article 5 of the 1961 Revised European Social Charter.

Question C

No change in the situation as reported in the last Report of the Government of Cyprus on Article 5 of the 1961 Revised European Social Charter.

Question D

No change in the situation as reported in the last Report of the Government of Cyprus on Article 5 of the 1961 Revised European Social Charter.

Question E

No change in the situation as reported in the last Report of the Government of Cyprus on Article 5 of the 1961 Revised European Social Charter.

Ref.N.: 4.17.07.05.6

GOVERNMENT OF THE REPUBLIC OF CYPRUS

Report on

Article 6

of the Revised European Social Charter

THE RIGHT TO BARGAIN COLLECTIVELY

(Reference Period: 1.1.2003 - 31.12.2004)

ARTICLE 6 PARA.1 - Joint Consultation

During the period under review, Law No. 277(I)/2004 supplementing the Statute for a European Company with regard to the involvement of employees was enacted with a view to harmonising Cypriot Law with EU Directive 2001/86/EC.

The aforementioned Law governs the involvement of employees in the affairs of European public limited-liability companies (SE), as referred in Regulation (EC) No. 2157/2001. The Law provides for the creation of a special negotiating body representative of the employees of the participating companies and concerned subsidiaries or establishments, with a view to undertaking negotiations with the competent organs of the participating companies to reach an agreement on arrangements for the involvement of the employees within the SE. The agreement shall specify its scope, the composition, number of members and allocation of seats on the representative body which will be the discussion partner of the competent organ of the SE. Furthermore, the agreement lays out the functions and the procedure for the information and consultation of the representative body, the frequency of meetings, the financial and the material resources to be allocated to the body, etc. Copy of this Law, which came into force on 31.12.2004, is enclosed as **Appendix I**.

It should be stressed that the aforesaid Law was discussed extensively with the social partners within the framework of a Tripartite Technical Committee of the Labour Advisory Board, and subsequently by the full Board, on the basis of the existing practice of consultation between the social partners on labour and social issues.

During the period under review the Tripartite Technical Committee of the Labour Advisory Board assigned to examine the drafting of a new Law harmonizing Cypriot law with the provisions of Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community, concluded its discussions.

Reply of the Government of Cyprus to the Conclusions 2004 of the European Committee of Social Rights:

With reference to the Committee's request for details as to whether employee representatives were consulted before Law 28(I)/2001 on collective redundancies was enacted, the Government confirms that the draft Law was discussed with employer and worker organisations within the framework of a Tripartite Technical Committee of the Labour Advisory Board, and subsequently by the full Board.

ARTICLE 6 PARA. 2 - Negotiation Procedures

No change in the situation as reported in the last report of the Government of Cyprus on Article 6 of the Revised European Social Charter.

ARTICLE 6 PARA. 3 - Consultation Arbitration

Question A

During the period under review, discussions between the social partners and the government resulted in the signing, on 16.04.2004, of an **Agreement on the Procedure for the Settlement of Labour Disputes in Essential Services** (copy of draft translation of the Agreement in English, attached as **Appendix II**).

This voluntary agreement is an extension of the Industrial Relations Code and also applies to the Public Sector via the amendment of the Joint Staff Committee Regulations (it is expected that the amendment of the Regulations will be effected during the second half of 2005). Consequently, the Agreement has universal application to all sectors of economic activity, in which essential services exist, as defined by Article 1.2 of the Agreement.

The procedure referred to in the Agreement is activated after a deadlock is declared in essential services, in accordance with the existing provisions of the Industrial Relations Code. According to Article 3 of the Agreement in the case of negotiations either for the conclusion of a collective agreement for the first time, or for the renewal of a collective agreement, and as long as it is ascertained that all margins for negotiation have been exhausted under the existing procedures for each sector, and a deadlock has been declared, then the two sides must refer the dispute to an Arbitration Committee, notifying their decision to the Ministry of Labour and Social Insurance. The referral to arbitration may be made jointly or separately. Within 15 days from the day of the notification that the dispute has reached a deadlock, the Minister of Labour and Social Insurance appoints suitable persons from a prescribed list, as members of the Arbitration Committee.

The Arbitration Committee, which consists of three persons, undertakes to fully examine the issues comprising the dispute, and communicates its decision to the interested parties within six weeks from the date of referral of the dispute. The decision of the Arbitration Committee is not binding on the parties concerned and in the case of non-

acceptance of the decision by either side, industrial action, including a lock-out may be taken after a written notice of twenty five days is given.

Question B

No change in the situation as reported in the last report of the Government of Cyprus on Article 6 of the Revised European Social Charter.

Question C

No change in the situation as reported in the last report of the Government of Cyprus on Article 6 of the Revised European Social Charter.

ARTICLE 6 PARA. 4 - Collective Action

No change in the situation as reported in the last report of the Government of Cyprus on Article 6 of the Revised European Social Charter.

Reply of the Government of Cyprus to the conclusion of the European Committee of Social Rights that the situation in Cyprus does not comply with this paragraph:

With regards to the infringing provisions (point 14(d) of the First Schedule) of the Trade Union Laws 1965-1996, it should be noted that an amendment Law is currently being promoted to delete the provision that the decision to call a strike must be endorsed by the executive committee of a trade union. The draft amendment Law has been endorsed by the Labour Advisory Board, and is currently before the Law Office for legal vetting. It is expected that within 2005 the amendment Law will be voted into Law by the House of Representatives.

With regards to Defense Regulations 79A and 79B, it should be noted that with the signing of the Agreement on the Procedure for the Settlement of Labour Disputes in Essential Services, the Government agreed to the abolishment of the aforementioned Regulations. Consequently, the Ministry of Labour and Social Insurance requested the Law Office of the Republic to prepare an Order to be endorsed by the Council of Ministers abolishing the Regulations. The relevant procedures have been completed, and it is expected that within 2005 the Council of Ministers will approve the foresaid Order, thus abolishing Defence Regulations 79A and 79B.

Ref.N.: 4.17.07.5.13

Report on
Article 13
of the Revised European Social Charter
THE RIGHT TO SOCIAL AND MEDICAL ASSISTANCE
(Reference Period: 1.01.2003 – 31.12.2004)

ARTICLE 13 PARA. 2

No change in the situation as reported in our last Report.

ARTICLE 13 PARA. 3

No change in the situation as reported in our last Report.

**Replies of the Government of Cyprus to the questions raised by
European Committee of Social Rights**

Reply to the request for information on the geographical distribution of staff, the total number of beneficiaries served by this staff, the total annual expenditure on social welfare services over the last 5 years and the share of GDP:

A. The geographical distribution of the staff of the District Offices of the Social Welfare Services (on 31/12/2004) was:

- Nicosia: 77
- Lemesos: 86
- Larnaka: 39
- Pafos: 23
- Ammochostos: 10
- Evrichou: 3

B. The total number of cases handled (31/12/2004) by this staff was:

- Nicosia: 7.888
- Lemesos: 9.120
- Larnaka: 3.558
- Pafos: 1.716
- Ammochostos: 946
- Evrichou: 579

Total: 23.807

C. The total expenditure on social welfare services over the last 5 years was:

- 2004: 76.823.037¹
- 2003: 70.621.356
- 2002: 65.090.837
- 2001: 54.117.954
- 2000: 49.097.714

D. The share of GDP of the annual expenditure is

	GDP	Expenditure	Ratio
2004	7.216,3(billions)*	76.823.037	1,06%
2003	6.805,1(billions)*	70.621.356	1,04%
2002	6.370,3(billions)	65.090.837	1,02%
2001	6.103,6 (billions)	54.117.954	0,89%
2000	5.679 (billions)	49.097.714	0,86%

*Preliminary data

GA
Social Charter/article13

¹ Approved budget for 2004. For 2000-2003 amounts include actual expenditure, which was usually higher than approved budget.