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DEFEN-CE:

Social Dialogue in Defence of Vulnerable Groups in Post-COVID-19 Labour Markets

Report on Latvia and Lithuania

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Introduction

This is a comparative country report of Latvia and Lithuania for the project DEFEN-CE: Social Dialogue in Defence of Vulnerable Groups in Post-COVID-19 Labour Markets. DEFEN-CE is a research project funded by the Directorate-General for Employment, the European Commission (Grant number: VS/2021/0196). The project investigates the experience of various stakeholders with the design and implementation of COVID-19-related policies relevant to work and employment in EU Member States (Finland, Sweden, Netherlands, Germany, Latvia, Lithuania, Czechia, Slovakia, Italy, and Spain) and two candidate countries, Serbia and Turkey. The aim of the project is to identify the role of social dialogue in facilitating policy implementation that addresses the labour market situation of vulnerable groups in the post-COVID-19 labour markets. With this aim in mind, the report seeks to answer three main research questions from a comparative perspective, emphasising similarities and differences between Latvia's and Lithuania's pandemic response, industrial relations (with a key focus on social dialogue structures and interactions), policy design, and protection of vulnerable groups.

1. What public policy and social dialogue measures targeting selected vulnerable groups were implemented for employment and social protection during the COVID-19 pandemic between 2020 and 2022?
2. To what extent and how did social dialogue play a role in the implementation of social and employment rights of selected vulnerable groups during the COVID-19 pandemic between 2020 and 2022?
3. What lessons and opportunities does the COVID-19 pandemic yield for strengthening social dialogue in the studied countries?

The report mixes analysis and findings based on the construction of country-specific Defence-Databases (one for Latvia and one for Lithuania) and qualitative interviews with national stakeholders. The respective database contains information on almost 60 countries-specific Covid-19 policies that have been gathered from international databases (e.g., Eurofound, Eurostat, and ICTWSS), national and international policy documents and legislation, reports from trade unions and employers' organisations, and academic literature.

The interviews that complement the general information provided from the databases were conducted with representatives from trade unions, employers' organisations and the government. In total, 10 interviews were done in Latvia, and 10 interviews were done in Lithuania (see Annex 1 and 2). Interview data were analysed based on qualitative content analysis using the DEFEN-CE coding scheme.

The report consists of four parts and is structured as follows. The first part provides contextual information, the second part describes the key developments of the COVID-19 pandemic and its impact on vulnerable groups, the third part analyses the role of social partners and social dialogue in protecting vulnerable groups, and the fourth part provides a brief comparative assessment and conclusions.

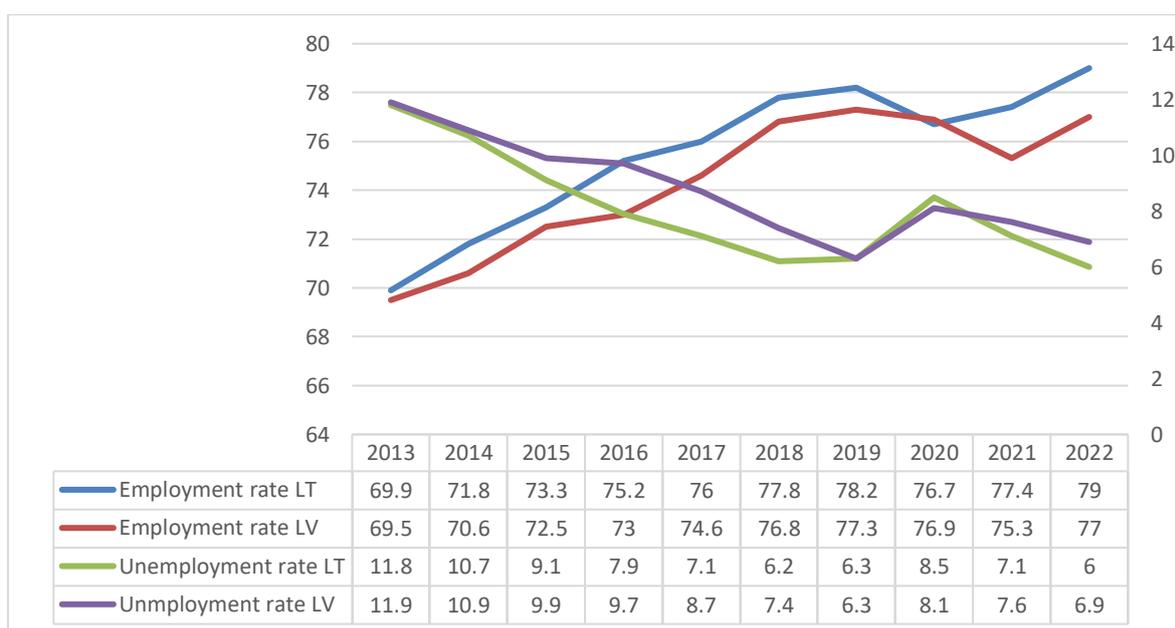
Description of findings

The comparison between Latvian and Lithuanian cases revealed some differences in the social partners' role during the COVID-19 crisis. It can be argued that in post-Soviet countries, which do not yet have a long-standing tradition of social dialogue, the participation of social partners in policy making was rather eclectic and largely determined by a variety of external factors. Thus, in different countries and even in different periods of the COVID-19 pandemic, the social partners have played quite different roles both in managing the pandemic and providing support to vulnerable groups. The involvement of the social partners did not take place in a traditional format, but through their participation in various newly created structures for mitigating the negative effects of COVID-19. On the other hand, the majority of the social partners interviewed agreed that social dialogue, if properly used, might be an effective tool in crisis management. The experiences of Lithuania and Latvia have shown that the timely and effective involvement of the social partners in decision-making processes can not only strengthen social dialogue, foster mutual cooperation (including with NGOs) and increase mutual trust, but also enhance the targeting and effectiveness of the country's anti-crisis measures.

1. Contextual information

During the decade before the COVID-19 pandemic, employment rates in both countries – Latvia and Lithuania – were steadily increasing, while unemployment rates were decreasing. With the onset of the pandemics, the aforementioned indicators reversed their development directions – employment rates decreased and unemployment rates increased, but overall the impact of the pandemics on the **labour market** was not severe: in 2020-2021, both employment and unemployment rates decreased/increased by 1-2 percentage points in both countries, and in 2022 they both actually returned to pre-pandemic levels, with the (un)employment situation in Lithuania being even better in 2022 comparing with the pre-pandemic year of 2019 and slightly worse in Latvia (Figure 1).

Figure 1. Employment and unemployment rates in Lithuania and Latvia in 2013-2022, %



Source: Eurostat, lfsi_emp, une_rt

In general, in 2022 and early 2023, the national labour markets of both countries could be better characterised as markets experiencing significant labour shortages than those facing the issue of unemployment. Also, the issues of part-time employment and fixed-term contracts are actually not relevant in both countries, as the share of such employees is relatively very low. However, research shows “a substantial increase in marginal workers and underemployment during 2020, with women, young workers and individuals in rural areas being most affected by the pandemic-induced recession¹.”

It is also interesting to note here that the structure of employment by sector was changing in the pre-pandemic period, with employment in agriculture, forestry and fishing declining and employment in ICT-related sectors increasing².

Industrial relations in both countries are underdeveloped, characterised by low trade union density (11.6% in Latvia (in 2018) and 7.4% in Lithuania (in 2019)) and low collective bargaining coverage (adjusted bargaining coverage rate (% of employees with the right to bargain) (27.1% in Latvia (in 2018) and 7.9% in Lithuania (in 2019))³. It should be noted here that in recent years the situation in Lithuania has changed quite significantly due to several collective agreements signed mainly in the public sector, which have increased the coverage of collective bargaining up to almost 25%, while the situation in the private sector has remained essentially unchanged.

Social partners in Latvia are highly centralised – there is one employer organisation and one trade union organisation in Latvia. At a national level, employers are represented by the Employers’ Confederation of Latvia (LDDK), founded in 1993 specifically for social dialogue purposes. In 2022, it represented 105 sector leaders – companies which employ more than 50 employees - and 62 sector-based and regional business associations and federations. LDDK members employ 44% of Latvia’s employees⁴. Employees are represented by the Free Trade Union Confederation of Latvia (LBAS), founded in 1990 as a result of the reform of Soviet trade unions. In February 2023, LBAS represented 19 sectoral and inter-sectoral trade unions⁵.

In Lithuania, the situation is much more diverse – there are three national trade union confederations and six national employer organisations meeting the representativeness criteria set out in legislation. These are: the Lithuanian Trade Union Confederation, the Lithuanian Trade Union “Solidarumas”, the General Trade Union of the Republic of Lithuania on the employees’ side and the Lithuanian Confederation of Industrialists, the Lithuanian Business Employers’ Confederation, the Chamber of Agriculture of the Republic of Lithuania, the Association of Lithuanian Chambers of Commerce, Industry and Crafts, the Association “Investors’ Forum”, and the Lithuanian Business Confederation on the employers’ side⁶.

The development of the current **social dialogue** system in Latvia started in 1993, when the first agreement between partners on consultations on labour protection issues was concluded. The institutional framework of social dialogue is based on the Concept of Social Dialogue, labour legislation (Labour Law, Law on Trade Unions, Law on Employers’ Organisations and their

¹<file:///D:/Inga%20B/Downloads/occasional-paper-no-40.pdf>

²<https://strata.gov.lt/wp-content/uploads/2022/06/20220503-Lietuvos-zmogiskojo-kapitalo-bukle.pdf>

³<https://www.oecd.org/employment/ictwss-database.htm>

⁴<https://lddk.lv/en/about-lddk/more-about-lddk/>

⁵<https://arodbiedribas.lv/daliborganizacijas/>

⁶<https://socmin.lrv.lt/lt/administracine-informacija/lr-trisale-taryba?lang=lt#Tri%C5%A1al%C4%97s%20tarybos%20nariai>

Associations, Strike Law, Labour Dispute Law, and other regulations relevant to social dialogue) and the social dialogue institution – the National Tripartite Cooperation Council (NTSP). The NTSP is a tripartite social dialogue institution working at the national level, where representatives appointed by the government, the LDDK and LBAS collaborate as social partners. The NTSP has ten thematic sub-councils that are also organised according to the tripartite principle⁷.

Similarly in Lithuania, the Tripartite Council of the Republic of Lithuania (LRTT) was established in 1995. The LRTT is the main tripartite social dialogue institution in the country. All the most important labour market-related regulations and other employment-related decisions are discussed there.

Representativeness criteria for Latvian trade unions in social dialogue at a national level are laid down in the Law on Trade Unions. The Law prescribes that the representation of trade unions in social dialogue with employers, employers' organisations and their associations shall be implemented on the basis of an agreement concluded by trade unions and employers, employers' organisations or their associations. According to the Law, the interests of the trade unions at the national level shall be represented in relations with the Cabinet of Ministers by the trade union association uniting the largest number of employees in the country (the only such trade union is LBAS). Where appropriate, government institutions may cooperate with other trade unions and their associations. The Law also requires that representatives of the unions in the NTSP and sub-councils shall be nominated by the association of trade unions that unites the largest number of employees in the country. The role of the LDDK as the sole employers' representative is established in the conceptual framework for social dialogue in Latvia.

In Lithuania, the representation of trade unions and employers' organisations is defined by nine criteria set out in the Labour Code. These include membership in international organisations, having members or representatives in different regions or industries, being active for at least three years, and having at least 0.5% of the workforce (for trade unions) or at least 3% of employees (for employer organisations).

Another channel that allows social partners to access social policy decisions in Latvia is Cabinet Regulation No 606 "Rules of Procedure of the Cabinet of Ministers". This regulation stipulates that it is necessary for the Cabinet of Ministers to obtain an opinion (approval of a draft) from the organisations of the NTSP if the draft affects the interests of employers and employees. In Lithuania, this requirement is implemented through the LRTT.

Over the past five years, the economic development of Latvia and Lithuania has been rather similar, with stable GDP growth (3-4%) in 2018-2019, replaced by negative (-2.2% in Latvia) and zero (0.0% in Lithuania) growth in 2020, followed by rather sharp increase in 2021 (up to 4.1% in Latvia and up to 6% in Lithuania), and then by 2-3% annual growth in 2022. Compared with other EU countries, the impact of recent war-related challenges has been felt more strongly by markets and societies of both countries due to increased economic and social threats and uncertainties. However, recent developments in social dialogue and industrial relations have been rather different. In Latvia, the practice of social dialogue has been rather stable, but some changes have nevertheless occurred. The institutional setting has not been changed, all institutions are in place

⁷Krīgers P. (2009) Social Dialogue in Latvia. Latvijas Kristīgā akadēmija. Zinātniskie raksti.
<http://en.kra.lv/proceedings/2-2009/Proceedings%20ChrA%202%202009%20Kr%C4%ABgers%20Social%20Dialogue%20in%20Latvia.pdf>

and working, but the government is increasingly creating larger and more dynamic consultation structures that include social partners as a part of a wider range of society's representatives. Social dialogue is losing its role as the sole consultant and becoming one of several consultants. Moreover, it is losing its right as a major government partner and its voice among sometimes even stronger other actors. It was mentioned by several respondents that this development is connected with the high speed of the decision-making process in complicated conditions and the desire of the government to consult a wider range of institutions/NGOs representing different parts of society and the economy. In Lithuania, social dialogue has remained unchanged; however, there have been new developments in the coverage of collective bargaining. As of 2018-2019, the number of sectoral collective agreements signed in Lithuania increased significantly, concurrently increasing collective bargaining coverage in the country. After being stable for decades (and close to 7-10%), collective bargaining coverage increased up to 15% in 2019, up to 21% in 2020 and up to 25% in 2021-2022. This increase was mainly determined by national and sectoral collective agreements signed in the public sector.

Summarising the above, we may conclude that, despite relatively weak industrial relations (especially in the private sector), national-level social dialogue is rather well developed in both countries and serves as a tool for social partners' involvement in policy making and implementation processes. However, a critical issue concerning the capacity of social partners is their ability to use their rights. Employer and trade union organisations lack competences and capacities, whereas state and municipal institutions and bodies often do not involve social partners sufficiently in policy making beyond the Tripartite Council⁸.

2. Covid-19 and its impact on vulnerable groups

2.1. Key developments of COVID-19 from the perspective of work and labour market

The **COVID-19 pandemic in Latvia** developed rapidly and aggressively, claiming people's lives and creating an overload in hospitals. The first case of the disease appeared on 2 March 2020, and by May 2020 the number of cases approached to 1000. During the pandemic, three periods of emergency and two curfew periods were declared.

In Latvia, the government introduced three periods of emergency (from 12 March 2020 to 14 April 2020, extended to 12 May 2020 and 9 June 2020; from 9 November 2020 to 6 December 2020, extended to 6 April 2021; from 11 October 2021 to 11 January 2022, extended to 28 February 2022). From 30 December 2020 until the end of the following week and on 8-9 January 2020, the government introduced a curfew. People had to stay at home from 10.00 p.m. to 5.00 a.m. A lockdown was introduced from 21 October 2021 to 15 November 2021. During the lockdown, people had to stay at home from 8.00 p.m. to 5.00 a.m.

Activities in some sectors were suspended. The first to close was the beauty industry, followed by cultural and sports institutions (theatres and concert halls, libraries). Public catering establishments, shops and public transport and other public service institutions had to provide

⁸ Decision of the Government of the Republic of Lithuania on the 'Approval of the inclusive labour market development programme of the Ministry of Social Security and Labour of the Republic of Lithuania', No 929 (10 11 2021).

for and comply with specific space and gathering requirements. Schools were closed and distance work and learning were widely introduced.

In 2021, the pandemic continued to rage and the government tightened the regulations. Finally, drastic requirements were introduced regarding vaccination. Unvaccinated people were prohibited from working in certain sectors, such as education, hospitals and public administration. The drastic measures were effective and at the beginning of November 2021, the cumulative morbidity rate in Latvia stopped rising and declined. By 2022, the pandemic pressure gradually diminished and the restrictions imposed were gradually lifted.

The first cases of **COVID-19 appeared in Lithuania** at the end of February 2020. The government's main response to the COVID-19 pandemic was to stop the spread of the virus. Closure of the borders, restricted travelling, lockdown, tight monitoring and management of the epidemiological situation in the country and wide-ranging testing were the main measures implemented.

The first pandemic wave peaked in December 2020 with 1,496 deaths per month from COVID-19, and the second wave peaked in October 2021 with 1,109 deaths per month⁹.

In Lithuania, the government declared a national-level emergency, with a general lockdown in place from 16 March 2020. The lockdown included all educational institutions, as well as the cancellation of public events and restrictions on the number of people attending public gatherings¹⁰. The lockdown also included mandatory 14-day isolation for people returning from countries affected by COVID-19. Further measures were introduced in the following months, including the mandatory use of face masks in public places, restrictions on international travel, and restrictions/bans on so-called non-essential activities. In the summer of 2020, the number of cases of COVID-19 decreased, but started to increase again in the autumn and new restrictions were introduced, including a ban on large group gatherings and restrictions on catering services.

The sectors most affected by the pandemic were tourism, hotels, restaurants and catering, passenger and freight transport services, as well as cultural and other professional services delivered through direct contact. The relatively modest impact on the Lithuanian economy was determined by its relatively low dependence on the sectors hardest hit, the relatively swift provision of state support¹¹ and the growth in export volumes¹².

The COVID-19 pandemic and the restrictions imposed **influenced the labour market**: high health risks, worsened working conditions (work in masks and protective clothing), increased duties due to providing epidemiological safety without adequate remuneration, staff reductions, loss of employment, and emotional stress.

In summary, it can be said that the pandemic had a multiple impact on work and the labour market – it affected both the employment/unemployment rates and working conditions.

⁹<https://osp.stat.gov.lt/covid-19-statistika/itaka-gyventojams/gyventojai>

¹⁰ In the interest of public health, COVID-19 pandemic measures included restrictions on the size of gatherings, a ban on the operation of temporary vendors in malls and supermarkets, social distancing at work, and other obligations regarding occupational safety and health.

¹¹ Already on 20 March 2020, the State Tax Authority published a list of 32,000 businesses directly affected by COVID-19 and targeted for assistance, and the Government further continued to develop support measures for affected businesses and self-employed workers.

¹²<https://www.strata.gov.lt/images/tyrimai/2021-metai/20210524-lietuvos-zmogiskojo-kapitalo-bukle-2021.pdf>

Impacts on employment manifested through job losses or temporary work suspension in the most affected sectors (e.g. tourism, HORECA, air transport) or in the most affected groups of employees (e.g. older workers, parents with children). The impact on working conditions varied according to the sectors affected: in some sectors (e.g. agriculture, manufacturing, construction, services without close personal contact (e.g. repairing services)), it was not very significant, while in frontier/high-demand services (e.g. healthcare, courier services, IT) it was significant. Moreover, in some sectors (e.g. public administration, financial/bank services), a significant increase in teleworking was observed. Research¹³ shows that the number of people working remotely increased significantly in Lithuania during the pandemic, from 4-5% before the pandemic to almost 40% during the pandemic.

There is no evidence of the (direct) impact of the pandemic on the density of trade unions or employer organisations or on collective bargaining coverage in either Latvia or Lithuania.

2.2. Identification of vulnerable groups generally and those hit hardest by COVID-19

A strict list of **vulnerable groups** does not exist in **Latvia**. As majority of surveys show, the most vulnerable groups in the labour market are youth, older workers, workers with lower education level, and the disabled. In terms of living conditions, the most vulnerable group is families with children.

It is characteristic that the respondents to the DEFEN-CE survey did not talk much on the traditional groups of vulnerable people in the labour market and description of their vulnerability in this respect. Rather, they wanted to talk more about those hit hardest specifically by COVID-19.

When answering the question about vulnerable groups in the labour market in general, respondents indicated 20 groups, some of which overlapped. They found it difficult to distinguish between vulnerable groups “in general” and which ones were vulnerable groups at the start of the COVID-19 pandemic and in 2021 compared with 2020, as well as to distinguish if these groups were vulnerable specifically in the labour market. The same applies to the identification of reasons of vulnerability and changes in vulnerability. This might be explained by the complicate situation during COVID-19 and the interrelation between the reasons of vulnerability in a “normal” situation and due to the COVID-19 pandemic. Several respondents mentioned that the same groups which were vulnerable before the COVID-19 pandemic remained vulnerable during the pandemic as well. Still, it cannot be claimed that only traditional vulnerable groups suffered more from the COVID-19 pandemic or that especially these groups were hit harder by the pandemic. New groups also were indicated – not only at the individual or group’s level, but also at the sector’s level (the answer “all sectors are vulnerable”, for example in the case of the beauty industry, HORECA or education).

One of the respondents said that the pandemic was not a problem of individuals or specific vulnerable groups, but of sectors. For instance, the working conditions of healthcare workers

¹³ LCSS (2020) Implications of COVID-19 for the Human Security: Challenges and New Opportunities. Research project. Lithuanian Centre for Social Sciences.

worsened significantly, regardless of workers' age, gender, nationality or other factors. In some sectors, the impact was complex. For instance, workers in the education sector were affected in three aspects: firstly, because of health risks while working in close proximity to children; secondly, working conditions of workers changed dramatically due to the introduction of distance learning; and thirdly, unvaccinated education workers were banned from working in schools and dismissed. Older teachers were not able to adjust to new ICT-based work as they did not have compatible equipment and relevant skills. Operation of some sectors was suspended and workers in these sectors lost any income. It is unusual in a traditional situation for workers to become vulnerable not because of their social status, but because of their profession or sector in which they worked.

Respondents from sectoral-level NGOs also pointed out other reasons that made the whole sector vulnerable. For example, a representative of the beauty industry pointed out that even before the pandemic, the shadow economy made workers in the beauty industry vulnerable. Moreover, the majority of workers in the sector are women, many of them with young children, single mothers or with dependents, as the beauty industry is convenient for them to work (mainly due to the relative flexibility of working time). Before COVID-19, the sector was negatively influenced by the shadow economy, while during the pandemic some parts of the sector were suspended and some went underground. The sector's representative insisted that workers in the whole sector are vulnerable.

Besides education and health workers and workers in suspended sectors, respondents identified groups that were vulnerable before, but the pandemic added new factors to their vulnerability. Such groups are low-educated and low-paid workers, part-time workers, workers with informal income or informal wages (so-called "envelope" wages on which taxes and social insurance contributions are not paid). These workers were affected due to the fact that during the pandemic, income compensation measures were tied to income previously received by individuals and enterprises and paid taxes and social insurance contributions. Those who officially received low wages or received envelope wages were not eligible for support (or were eligible for the very low level of support). This was a real shock to many people.

Other interesting examples of the vulnerable groups identified include young graduates looking for their first job and refugees from Ukraine. For young graduates, vulnerability arises from remote work in organisations – it is difficult for them to get used to a new workplace without the direct presence of new colleagues, who may tell them about the nature of work, partners, traditions of the organisation, etc.

Statistical data about vulnerable groups (employment structure of vulnerable groups, women, youth, migrants in the labour market, sectors most affected by the pandemic) are not available because the scope of this group is not precisely defined. Moreover, statistics on employment structure give nothing about the impact of the COVID-19 pandemic, because not every woman, young worker, migrant or even pensioner is vulnerable in the labour market, as the impact of COVID-19 is sectoral. Comprehensive data on the sectors most affected by the pandemic are not available. Even declining economic results may have different reasons, not only the COVID-19 pandemic.

Although there are no clearly identified **vulnerable groups in Lithuania**, as in Latvia, based on statistical and departmental information and research data, vulnerable groups in terms of

employment and income stability before and during the pandemic include disabled people and carers for disabled people, the elderly, people of pre-retirement age, the long-term unemployed, (non-qualified) youth, lone parents, families with three or more children, persons with addictions, the homeless, ex-prisoners, and others. More vulnerable social groups found it more difficult to adapt to changes during the pandemic. In many cases, the COVID-19 crisis hit hardest those groups whose pre-pandemic incomes were lower. Interviewees from the MSSL noted that the situation of the so-called “traditional” vulnerable groups was even more difficult than usual during the pandemic. Their situation was exacerbated by reduced access to health and social services and the inability to communicate through digital channels. The digital divide particularly affected beneficiaries of social assistance, as most of them were unable to access e-banking.

The restrictions introduced during the COVID-19 pandemic have most affected the following sectors in Lithuania: healthcare, tourism, HORECA, and transport. Social workers, teachers and retail workers were affected as well. The COVID-19 pandemic challenged those groups of workers who were more vulnerable on the labour market before the pandemic. Young people who had not been able to establish themselves in the labour market, women, and unskilled workers were badly affected by changes in the labour market:

- Lower-skilled (or educated), lower-income workers were more likely to work in the sectors most affected by the pandemic. For example, the service and catering sector had the lowest proportion of highly skilled workers. In addition, the low-skilled were more likely to work in jobs that cannot be done remotely. For these reasons, this group faced a higher risk of losing their jobs, part of their workload or their income during the pandemic and a higher risk of contracting COVID-19.
- Youth unemployment increased markedly during 2Q-3Q 2020. At the end of 2020, the Lithuania’s youth unemployment rate declined, but nonetheless remained above the EU average. According to PES data, two-thirds of unemployed youth did not have any qualifications in 2020.
- Temporary and part-time workers, older workers, women and those with health problems also faced greater difficulties. Inferior digital skills, which will increasingly be required for employment, may have been an additional barrier¹⁴.
- Women were more affected by the COVID-19 crisis, as they lost their jobs in the most affected sectors. Moreover, women made up the majority of workers in the health sector, which was at the forefront of the fight against the pandemic. The closure of schools and other care facilities as a result of the pandemic also increased women’s care responsibilities within the family.

The COVID-19 pandemic highlighted not only the importance of health, but also inequalities in the health system: health services became less accessible, especially for regional households, and the virus had a much greater impact on vulnerable groups, such as the elderly and those with comorbidities. During the COVID-19 pandemic, the elderly and those with medical conditions were at the highest risk of dying from the virus: according to the Ministry of Health, the highest proportion of deaths was recorded in the 70-79 age group. Health conditions such as obesity, diabetes, hypertension, cardiovascular disease, etc. pose a greater risk to life. Studies showed that the COVID-19 pandemic had a significant negative impact on the psychological

¹⁴<https://www.strata.gov.lt/images/tyrimai/2021-metai/20210524-lietuvos-zmogiskojo-kapitalo-bukle-2021.pdf>

health of the population.

According to the survey of social partners, aspects of vulnerability were perceived in a complex perspective. The risk of contracting COVID-19 was stressed first and foremost, and thus the most vulnerable groups of the population were those groups of workers who had a high number of contacts, i.e. health workers. Subsequently, the higher health risks for workers in the trade sector were recognised thanks to trade unions' and public attention. Another vulnerability factor flagged by respondents was related to job stability and income security. Thus, vulnerable groups of workers in that case included workers made redundant or at risk of redundancy during the pandemic and self-employed persons in the sectors affected (e.g. beauty, entertainment). Other aspects of vulnerability related to changes in working conditions caused by the pandemic. The factors mentioned included longer working hours, additional workload, lack of protective equipment (especially during the first months of the pandemic), and the need to react extremely quickly to job assignments. Vulnerability was also exacerbated by the psychological well-being of the workers, which was often impaired. As some respondents noted, the psychological condition was influenced by uncertainty, fatigue due to increased workload, tensions, and fears about personal health and the health of relatives. The problem of psychological well-being was particularly acute in the healthcare sector. One respondent mentioned the unfavourable psychological climate in many medical institutions and the negative attitudes towards medical staff during the pandemic contributing to poor well-being. An example was mentioned of a female doctor who was insulted for not being able to get to a patient on her own transport (she was called a virus spreader while travelling on public transport).

During the interviews, the representatives of trade unions and employers focused on workers and their vulnerability to changes in working conditions during the pandemic. The following workers were identified by interviewees as those most affected by the pandemic:

- Healthcare workers. *“Most of them have been infected themselves, they have been sick, and more than once. I would definitely put nurses among those who were extremely vulnerable. Doctors also worked hard, but nurses, especially in the emergency units and intensive care units, who went to people’s homes in ambulance crews, they really struggled. On the other hand, the heavy workload made it particularly difficult for them.”* *“Nurses have made a major contribution to managing the pandemic. But at the same time, they were also the most affected group of health workers”* (due to heavy workloads and high morbidity).
- Staff of different structures (police, fire protection).
- Social workers.
- Grocery sellers and shop security staff.
- Self-employed. *“People who are self-employed pay less tax and have fewer guarantees.”*
- Unemployed and jobseekers.
- Civil servants. *“We used to receive instructions even at 11 p.m. [...] we were working almost 24 hours a day [...] we were bombarded with letters [...] if you are told today, you have to hand in the document tomorrow.”*

The interviewees also mentioned the potential problem for all those working on employment contracts – the manipulation of the uncertainty at the beginning of the pandemic by unscrupulous employers. One interviewee noted that *“workers’ rights became more vulnerable. Nobody explained, more covered up with the pandemic, that now is a difficult situation and you have to understand that we are exploiting you for your benefit.”* The fact that one in two workers did not feel certain about their jobs¹⁵ may have created the conditions for employer manipulation and violations of workers’ rights.

It is important to mention one more issue highlighted during the interviews, namely the different reactions of the public to the vulnerability of different occupational groups during the pandemic. For example, during the interviews, it was stated that *“public campaigns offered apartments and houses for self-isolation, which was very rarely the case for nurses. Business institutions tended to see more of the doctors. We saw good examples in the mass media, but nurses were not mentioned in these kinds of reports.”*

Interviewees noted that the perception and recognition of vulnerability was uneven, first at the workplace, then at the level of social partners and finally at the national level. The focus was initially on health workers, with doctors being the most prominent, and only subsequently on nurses and ambulance workers. It should be noted that the recognition of vulnerability at the national level also took place not only through the social partners but also in response to media pressure. Often, the highlighting of vulnerability and the need to protect vulnerable groups was communicated through different channels at the same time – through the media and TUs.

New aspects of vulnerability. The first reference to vulnerable groups resulting from the war in Ukraine is the group of war refugees. Social partners listed a number of initiatives that are being implemented and have been implemented to reduce the vulnerability of Ukrainians both in Lithuania and in Ukraine: assistance to Ukrainian trade unions, sectors and/or specific companies, charity, accommodation and assistance in kind, financial support, organisational and logistical support, transport, support from employers for employees who want to volunteer for initiatives to help Ukraine.

Ukrainians working in Lithuania are not described as vulnerable by interviewees, but they acknowledge the potential risks and are already taking preventive action (mainly information through the trade unions network).

Respondents also mentioned new “vulnerability factors” brought by the war in Ukraine. These include rising energy prices, bankruptcies of some companies or a significant drop in production volumes. These processes have also directly affected employees in certain companies/activities (mostly in traditional industries). Concerns have been expressed that the processes related to renewable energy and the efficiency of the production process will lead to increased risks for workers: they will have to adapt to a changing market: *“as adaptation is not easy and takes time, it creates certain new vulnerability (for workers).”*

¹⁵ Visionary Analytics (2020) Socialinio dialogo kokybės ir plėtros lietuvoje vertinimas [Assessing the quality and development of social dialogue in Lithuania]. Final Report. Vilnius.

2.3. Key discourses and social policies adopted in response to the COVID-19 pandemic

Social policies adopted in both countries in response to the COVID-19 pandemic were driven by rapidly changing conditions. The first goal of the governments was to stop the spread of the pandemic. For this purpose, measures such as distancing, restrictions of gathering and public events, use of personal protection equipment (masks, distancing in public places), and lockdown were introduced.

The second goal was to secure income for the most affected groups of the population. A significant part of Covid-related measures (appropriate also for vulnerable people) provided direct or indirect financial support for different groups of the population. The third goal was to protect the health of the population– in this direction, vaccination was the main measure. Besides vaccinations, the assistance system in Latvia provided psychological help to education and medical workers and students. It was considered that assistance should be provided to individuals (horizontal approach) instead of sectors in order to avoid unfair competition.

In both countries, the governments played the main role at the beginning of the pandemic, as decisions had to be taken quickly.

In **Latvia**, the government has tried to involve social partners and cooperation partners as much as possible in the elaboration of the support measures from the very beginning. Respondents to the DEFEN-CE survey referred to several working groups established by the government and NGOs themselves. The first group was set up with the Ministry of Finance and led by Minister for Finance. This group was established before the COVID-19 pandemic. It discussed the state tax and fiscal policy. During the COVID-19 pandemic, it shifted its focus to assessing the financing and financial impact of the state's anti-COVID-19 policy and support measures. The second group was established with the Cross-Sectoral Coordination Centre of the Republic of Latvia (led by Vladislavs Vesperis, deputy director of the Cross-Sectoral Coordination Centre). This group was set up to coordinate the operation of state institutions. It included not only ministers, but also representatives of NGOs. The third group was the Operational Management Group – a working group for coordination of inter-institutional activities, established by Order No 2020/1.2.1.-84 of the Cabinet of Ministers, adopted on and effective from 10 July 2020. This Group was led by Jānis Cistkovskis, head of the State Chancellery. Later the second and third groups were merged into one – the Operational Management Group.

Besides, NGOs came together in several independent formations that helped to elaborate and present stronger proposals to the wider community. For instance, a Crisis Management Committee was established at the end of 2020 by representatives from sectors where services were fully or partly suspended – beauty, tourism, public catering.

In addition, larger social partners (LDDK and LBAS) and cooperation partners (Latvian Chamber of Commerce and Industry (LTRK), Latvian Association of Local Governments (LPS) and Latvian Academy of Sciences (LZA)) established a coalition, which they themselves called “The Big Five”. They prepared joint opinions and performed coordinated actions.

Not always social partners' opinions about the evaluation of impacts of the introduced measures and necessary changes were unanimous. For instance, employers did not support suspending of sectors. Trade unions did not support distance learning introduced by the Ministry of Education

and Science. In general, the government's proposals were supported; however, the initial design was rather often changed. Many respondents noticed that in the initial period of the pandemic there was big chaos and a lack of knowledge about the disease and its consequences.

Social partners were informed but were not able to interfere in the period of design and adoption of measures. They stepped in later, when measures were introduced and their effect became evident. Several Latvian respondents mentioned this obstacle. Respondents reported that at least at the beginning of the COVID-19 pandemic there was competition among representatives of social and coordination partners for favourable decisions regarding the state support measures. As they characterised this *"Everyone tried to pull the blanket to their side."*

The tendency for each participant to try to achieve its own goals created chaos and time wasting. This encouraged the larger associations to establish strong coalitions, find compromises within the coalition and present a much more powerful common voice to the group. They managed to coordinate interests so that the decisions more or less reflected a compromise between all sides and were not in the interests of one particular party. This challenged the rights of smaller participants and provided eventual dominance of employers' views, because employers' organisations were more in the coalition and among the decision groups (as mentioned by respondents), yet contributed to a positive outcome of the debate.

In a special statement, peak social partners expressed support for the government's decisions.

In general, the society was consolidated, but there were attempts to compromise government's decisions (for instance, the anti-vaccination movement). This was to a great extent organised by the political opposition, but some part of the population supported their views. On the other hand, some protests were organised in sectors (beauty industry, education sector, healthcare sector). These protests were not so much aimed at getting preferences over others, as at finding solutions in particular sectors that suffered the most from the government's decisions on restrictions (beauty industry), or at solving long-standing problems that resurfaced as a result of the pandemic (IT skills and equipment in the education sector) or worsened significantly (low pay and shortage of personnel in the health sector) or threatened to stop the previously started processes (implementation of the wage increase scheme in the education sector).

In **Lithuania**, as in Latvia, the government played a key role at the beginning of the pandemic, the decision-making process was very fast and social partners were kept informed. As the decision-making process and its pace began to normalise, the involvement of the social partners became stronger, and a working group was set up to seek broader representation of different groups in society (for more details see section 3.1).

As already mentioned, the period of the pandemic in Lithuania was marked by a change of political forces. The governments have involved the social partners in decision making to different degrees in different periods of the pandemic. However, overall, it can be said that in Lithuania the government's position was the strongest throughout the pandemic period. In many cases, the government was the initiator of training and consultations, used foreign and local experts, and provided consultancy, inter alia, to the social partners. However, according to some respondents, the government not only did not involve the social partners actively enough in the decision-making process, but in some cases (e.g. during the pandemic and the war period when negotiating collective agreements in the health sector or the social services sector) even took advantage of the uncertainty of the current situation in order to undertake lesser commitments

in negotiations with the trade unions, or to renege on agreements that had been made before (e.g. on wage increases, etc).

It could be mentioned that at the company level, some sporadic good practices were observed to improve the working conditions of workers affected by the pandemic, but, on the one hand, these were quite rare and, on the other hand, they did not have a positive impact on the development of social dialogue: *“there were not many companies that were very proactive and supportive themselves. Of course, there was transport, food, conditions for teleworking, but this did not stimulate more collective agreements. There was just an agreement that these working conditions were acceptable to us during that period and we agreed with our employees that we would work like this. But we did not see any more active bilateral dialogue below the national level. Although there were some really good corporate practices where companies did provide funds for both treatment and benefits.”*

When comparing power relations between employers and employees during the pandemic in Lithuania as a whole, it can be argued that the position of the employers’ representatives has become stronger. The information gathered in the survey suggests that employers’ organisations showed greater technical capacity and were quicker to adapt to teleworking and more effective in exploiting the increased opportunities for teleworking. Employer representation in working groups at the national level was more numerous. The stronger influence of employers’ representatives on decision making is reflected in the overall number of decisions taken by the government to mitigate the effects of the pandemic. When comparing measures aimed at protecting vulnerable populations with those aimed at supporting and protecting businesses, the latter outnumber measures aimed at vulnerable populations in terms of the number of measures and the volume of appropriations allocated to them. For example, an important measure such as subsidies during downtime was designed, thanks to the influence of employers, in such a way that it basically served to maintain businesses. The survey mentioned cases of abuse by businesses: *“TUs suggested that compensation should be paid in a targeted way, by transferring the money directly to employees, not through employers <...> we had calls where employees found out that they had been put to downtime while they were working. <...> some of them were not working and downtime was declared for them and the money was transferred to the employers, but the employees did not receive it <...> because the company was using [the funds] for its own purposes.”*

The greater role of employers during the pandemic is also confirmed by the employers’ representatives themselves. They mentioned in interviews that their proposals to overcome the pandemic received support (subsidies for downtime, sickness benefits) and sometimes even exceeded employers’ expectations (e.g., it was decided to set the subsidy at a higher level than proposed by employers).

During the survey, social partners sometimes made summary assessments of the positions of TUs or employers’ representatives during the pandemic. According to the employers, trade unions tended to ask for maximum guarantees for all possible groups of workers/people, while according to the trade unions, the employers tended to protect their business as much as possible, rather than their employees per se.

3. Social partners and social dialogue in defence of vulnerable groups

3.1. Actors

As mentioned above, in **Latvia**, only two organisations are national-level social partners under the law: the Free Trade Union Confederation of Latvia (LBAS) on the employees' side and the Employers' Confederation of Latvia (LDDK) on the employers' side. In addition to the social partners, the government may consult other organisations, such as national-level business organisation LTRK and sectoral and professional organisations (usually considered as cooperation partners).

The COVID-19 pandemic has involved more organisations than usual in policy making. Moreover, dialogue with the government from the partners' side has been gradually expanding in recent years. Only the NTSP format is a true tripartite institution, but it is usually held when a proposal (policy, measure, draft law) is close to being submitted to the Parliament (Latvian Saeima). At the elaboration stage, discussions take place in large working groups, in which the social partners are invited to participate as ones among many others. The social partners consider that their influence in a large group is significantly weakened and that in the final stages of elaboration.

Other organisations participating in the working groups and commissions are the largest business organisations: the Latvian Chamber of Trade and Commerce, the Latvian Association of Local Governments, the Latvian Academy of Science, sectoral and professional associations. As described above, the Operational Management Group consisted of up to 100 participants.

Participants in the working groups and commissions (social partners, as well as cooperation partners) had equal rights to participate in the design and implementation of all anti-COVID-19 measures. Out of ten respondents, only one (crisis management NGO) reported that it had been involved but not in a direct way, while the others were involved directly. Six respondents reported that the social partners were involved in discussions on all the measures, two indicated involvement in almost all the measures, one indicated involvement in some of the measures, and one (the State Revenue Service) said that it was difficult to say.

The involvement of social, and in particular coordination, partners depended on their field of interests and capacity – some were more active, others less so. The most active were employers' organisations and business and professional organisations. The social and cooperation partners were rarely the initiators of measures, but they followed the implementation of the measures and reacted if the measure created adverse effects. A respondent from the largest employers' organisation, LTRK, stressed that all the measures were built on the ideas of the social and coordination partners and that this was not important who initiated the measure, it was the result that mattered.

The availability of resources for social partners to participate in policy differs significantly. The human, financial and organisational capacity of employers' organisations is greater than that of trade unions. The bargaining and negotiating power of trade unions depends on the sector. In sectors which were essential during the pandemic – health and education – trade unions have traditionally been powerful. In other sectors that were suspended, trade unions are weaker (sports, culture) or do not exist (beauty industry, HORECA). During the pandemic, in the sectors where trade unions did not exist, business and professional organisations played the main role. For them, sectoral coalitions were a very important tool to make their voices heard.

Despite the different strengths of social dialogue organisations, the weak organisation of employees in some sectors and the dominance of individual interests at the beginning of the COVID-19 pandemic, those who were hit hardest received protection. They were supported by the government and national-level organisations, especially when the larger national-level organisations established “The Big Five” coalition, which focused not only on their specific interests but also on national interests. In the later periods of the pandemic, this coalition was the most powerful participant in the debate and was able to represent a wider spectrum of society and the economy and to implement their united opinion better than each organisation alone.

Both social dialogue organisations have a sufficient institutional background. However, the institutional structure of social dialogue has been largely unused because of the need to take reasoned decisions in a short timeframe. None of anti-COVID-19 measures was discussed at the NTSP.

Although trade unions **in Lithuania** have modest organisational resources, regular cooperation in a tripartite format largely compensates for them. It was confirmed during the interviews that the long-term constructive cooperation of the country’s trade unions with the public authorities plays an important role in enabling them to make proposals that address both directly represented members, employee groups or sectors and populations that are not directly represented (e.g. family members of the employed/self-employed). The long-standing smooth cooperation between the social partners has contributed to constructive working in extreme conditions, but has not led to any major changes: *“Our relationship with employers’ organisations [during the pandemic] did not change much, because we have been quite active with them all along. So it didn’t bring anything new to our communication. Maybe it helped the employers to realise that it is easier to work together, to get the job done, and to overcome the pandemic when everyone is in the same boat.”*

TUs also cooperated with each other on joint initiatives to submit proposals to the relevant public authorities. Successful examples of such initiatives were given during the interviews, where the initiative and pressure of the trade unions alone led to changes in certain legislation.

The interviews revealed that the pandemic period in terms of the involvement of trade unions in decision making was divided into three phases: (1) the beginning of the pandemic, (2) the first wave of the pandemic, and (3) the formation of a new government and the second wave of the pandemic.

The period of the onset of the pandemic was characterised by a high degree of uncertainty, an extremely high speed of decision making, and a lack of cooperation with the social partners. At the beginning of the pandemic, the work of ministries and other responsible authorities was extremely intensive, with a disproportionate pace of work and workload for staff, and working hours longer than the normal 8-hour working day. The social partners noted that the first weeks were characterised by a certain stagnation and confinement of their activities, during which many social partners were only looking for ways to move towards virtual communication.

During the first wave of the pandemic, the involvement of the social partners in decision making was strengthened and mutual trust between the social partners increased. This period was marked by the launch of a working group under the government, with representatives of employers and employees at national level. During the interviews, some respondents noted that

in the months following the pandemic, there was a significant increase in the activity of the TCRL, where public authorities presented their planned actions at the Tripartite Council and where the social partners had the opportunity to express their views on one or another issue.

The formation of a new government and the second wave of the pandemic. The end of 2020 coincided with the election cycle in Lithuania. The newly formed government has convened an Advisory Council of Independent Experts to address COVID-19-related issues. The absolute majority of this council was made up of medical and scientific experts, and two employers' representatives and one trade union representative were also invited to join. The government justified the composition of the council on the grounds that "it is necessary to bring together experts from different fields of activity to take competent decisions on the declared lockdown, which covers almost all spheres of life.¹⁶" The council was tasked with considering and making proposals to the government on the application and implementation of COVID-19 prevention, diagnosis, treatment and other pandemic management measures. It should be noted that the main focus of this group was on controlling the epidemiological situation.

Thus, power relations in making decisions on the protection of vulnerable groups varied quite considerably throughout the pandemic, ranging from almost absolute decision-making power on the part of the State, to a somewhat greater empowerment of the social partners during the first wave, and an emphasis on scientists and experts during the second wave.

3.2. Topics

In **Latvia**, except in some sectors, topics that were usually on the agenda of the social partners during the COVID-19 pandemic were somehow pushed aside, because the pandemic created a completely unusual situation and raised new problems. Exceptions were the issue of the state budget that had to be adopted despite the pandemic and the related issues of taxes (major concern of employers' organisations) and minimum wage (major concern of trade unions). Negotiations on wages in the education and health sectors also remained active. The same situation was seen regarding cooperation partners' organisations. For instance, a respondent from the LTRK said that only now are they returning to discussions on issues that were initiated three years ago.

Undoubtedly, the COVID-19 pandemic has also created a new set of topics. They can be grouped as follows:

- income protection or compensation for loss of income;
- health protection;
- support for workers in suspended sectors;
- assistance to those who perform economic activities;
- support for others affected by the COVID-19 pandemic.

Almost all respondents reported that during the COVID-19 pandemic, the issues of epidemiological safety and safety at work were a particular focus. The main legislation on safety at work was in place before the COVID-19 pandemic, but was less complied with. The pandemic brought new aspects into legislation on safety at work, such as epidemiological safety in

¹⁶ Lietuvos Respublikos Vyriausybė (2021) 2020 metų veiklos ataskaita. [Government of the Republic of Lithuania (2021). Annual Report for 2020]. 31 March 2021, Vilnius.

workplaces, shops, schools and other public places, as well as setting up a workplace for working at home.

Respondents also emphasised that the COVID-19 pandemic highlighted problems that had existed before and needed solutions, but had been neglected. Such examples included working conditions and wages of education workers in pre-school education institutions and technical workers in all educational institutions, as well as workers in long-term social care institutions. It also clearly showed the consequences of the shadow economy: workers agree to receive higher wages without paying wage taxes, but in times of turbulence they are only eligible for very small benefits or pensions. This was a painful lesson for many workers in the shadow economy.

As can be seen from the list of topics, except for a few, they concern the general population, including vulnerable people. Due to the pandemic, the situation has changed even for traditional vulnerable groups (for instance, the unemployed). A person may have become unemployed due to unconventional reasons, for instance, because the sector where (s)he worked was suspended, the space or distancing restrictions required to reduce the number of workers or vaccination requirements prevented workers from performing their duties. Social partners were also involved in the implementation of general measures (not focused specifically on vulnerable people).

In Lithuania, as in Latvia, usual issues addressed by the social partners became temporarily irrelevant during the pandemic period, replaced by the need to deal with suddenly emerging and unprecedented new problems. Trade unions and employer organisations willingly took responsibility to find and propose solutions to address the negative consequences of the pandemic and lockdown. However, it should be noted that the agenda of the social partners changed quite rapidly in previous periods as well, depending on political or economic developments in the country (e.g., inflation or major changes in labour legislation).

Measures to cope with the effects of the pandemic were the subject of intense debate among the social partners. Decisions were primarily concerned with occupational health issues, rules on limiting activities and adapting working conditions to the new realities. From the beginning of the first working group under the government, and also subsequently, the issues of maintaining the income level of the population and maintaining jobs have been the main focus of the social partners. After the first wave of the pandemic, issues that had been temporarily put on hold were revisited and the agenda was even broadened (e.g., to include more generous support schemes for economy greening¹⁷).

The social partners interviewed noted that at the beginning of the pandemic, they felt a sense of mobilisation, a sense of togetherness. The biggest disagreement that arose during the pandemic between trade unions and employer organisations was over compulsory vaccination and the suspension of unvaccinated workers. The subject of vaccinations also raised more concerns for trade unions when dealing with their members. The survey gave examples of trade unions refusing to inform their members about vaccination and its benefits, as some of the anti-vaccination members might leave the union due to differences of opinion.

¹⁷ ILO (2022) Peak-level social dialogue and COVID-19: The European experience. Report. International Labour Office – Geneva: ILO, 2022.

It should be mentioned that the pandemic period has led to a significant increase in teleworking and/or hybrid working, which has intensified the discussion of the trade unions on OHS issues in the context of telework. It can be argued that even before the pandemic, the physical and psychological health of workers was an issue of concern for the social partners, especially for trade unions, and that many social partners have put this issue high on their agendas in the post-pandemic period.

3.3. Actors' interaction

In **Latvia**, national-level social partners cooperated among themselves and with other organisations. In conditions where the social partners are expected to work in large working groups where actors with different interests come together, cooperation with other organisations and the creation of groups of similar interests was of great importance.

The established working groups and “The Big Five” coalition were the main mode of interaction between the key actors. Respondents admitted that all main channels of intervention were used in their work (lobbying the government, media involvement, discussions in working groups and specific interest groups, joint actions, including press releases uniting various organisations). The social partners have also used EU-level dialogue. Collective bargaining was not used as a method of impact by the social partners (it was not mentioned by respondents). Just one respondent (HORECA sector) reported that during the COVID-19 pandemic, they managed to sign a General Agreement (sectoral collective agreement).

In **Lithuania**, as mentioned above, the involvement of social partners in pandemic management, and hence their cooperation, was largely determined by the government and its attitude towards the social partners. Actors' interaction in the first weeks of the pandemic was paralysed until adaptation to virtual communication took place. Modern technology accelerated and improved collaboration. Some turbulence and uncertainties of the situation also gave some impetus to increased collaboration between the social partners. According to the experts interviewed, the working group created under the government during the first wave of the pandemic provided even more opportunities for the social partners (especially – trade unions) to get involved in decision making in response to the challenges of COVID-19. However, in the newly approved government's expert council, set up during the second wave by the newly elected government, the representation and interaction of the social partners, especially trade unions, was low. According to the respondents, trade unions felt excluded from decision making during this period. The view was expressed that trade unions were likely to have disagreed with many of the decisions taken during this period (e.g., rotation of departments or workload increases). The trade unions also highlighted the fact, already mentioned above, that public authorities (ministries) took advantage of the state of emergency to avoid taking on new commitments or even complying with previous commitments. A similar trend was observed in a study carried out by the ILO in 2022: “the government tried to avoid consultations with social partners on legally binding procedures when adopting laws and other regulations not directly connected to COVID-19¹⁸.”

¹⁸ILO (2022) Peak-level social dialogue and COVID-19: The European experience. Report. International Labour Office – Geneva: ILO, 2022.

It is also noteworthy that some respondents pointed out that during the pandemic, social partners started to collaborate more actively and frequently with foreign colleagues. This is partly due to the increased use of virtual communication tools during the pandemic. On the other hand, this increased interaction had virtually no impact on the development of SD or CB at the national level; it was more widely used for competency development, various trainings, and participation in international social partners' events. The war in Ukraine has strengthened the cooperation of some social partners with NGOs on the allocation and provision of assistance to Ukrainians.

3.4. Outcomes

In response to the COVID-19 pandemic, a large number of policies were adopted **in Latvia**. In the first instance, it was necessary to stop or at least to slow down the spread of the disease. Therefore, the measures taken included: the introduction of a lockdown and a state of emergency, curfews, masks, distancing and suspending of sectors with intensive personal contact. The second step was aimed at the mitigation of the impact of the first-phase measures for companies and individuals. Therefore, income protection measures, support for workers in the suspended sectors and assistance to performers of economic activity were introduced. The third step was related to vaccination: establishing priority vaccination schemes, creating vaccination centres and introducing measures for increasing vaccination rates (for instance, suspending the rights of unvaccinated people). Social partners participated in the elaboration of all the aforementioned steps and measures.

From the total number of measures, 42 were proposed for inclusion in the DEFEN-CE database as more related to vulnerable people. 31 measures were coded as support measures for vulnerable groups; 11 general measures were also proposed for evaluation, because they influenced workers in general and in specific professions.

The scope of the introduced anti-COVID-19 measures was rather broad; all measures might be grouped as follows: (1) measures aimed at income protection (*Downtime allowances for employees (including re-introduced one); Downtime allowances for the self-employed (including re-introduced one); Additional child bonus for employees entitled to the downtime allowance; Wage subsidy for employees; Wage subsidy for short-term employees; Wage subsidy for the self-employed; Wage subsidy for workers in education institutions for additional duties related to providing a safe epidemiological environment in schools (including re-introduced one); Wage subsidy for teaching staff for work during the COVID-19 pandemic; Wage subsidy for healthcare workers; Extension of unemployment benefits for the self-employed; Unemployment benefit for recent graduates; One-time benefit for each child; One-time benefit for pensioners and people with disability; Assistance benefit for the unemployed with expired unemployment benefit period*), (2) measures aimed at health protection (*COVID-19 recognised as an occupational disease; Sick leave paid by the state in the case of COVID-19 infection; Priority approach to vaccination; Psychological help for education workers and students; Psychological help for medical workers*), (3) support for workers in suspended sectors (*Support for the beauty care industry; Creative workers' employment programme; Memorandum on the implementation of the socially responsible policies in the commerce sector; Recommendations on the organisation of the education process by the Education Workers' Trade Union*), (4) assistance to economic operators (*Cancellation of the advance payment of personal income tax; Measures intended to*

give debtors additional time to fulfil their obligations), (5) support for other persons affected by the COVID-19 pandemic (*Support for self-isolation in tourist accommodation; Volunteer platform "Easy to help – Stay at home"*), (6) other (*Peak level social partners express support to the government decisions*).

Vulnerable groups were exposed to the same general measures as the rest of the population (sometimes even more than others): prohibition of gatherings, lockdown, wearing face masks, introduction of a state of emergency, remote work, restrictions on the organisation of the learning process, restrictions on sports organisation, restrictions on trade and public catering, restrictions on the organisation of cultural events, suspension of the beauty industry, introduction of remote services in state and local government institutions. The majority of these measures negatively influenced the well-being of vulnerable groups in different ways – loss of job, difficulties in working with face masks (for instance, as a teacher), insufficient skills and IT equipment for remote work, and some others.

During the interviews conducted in Latvia, respondents were asked to select 3-5 measures that they considered most important. Of the 42 measures proposed, they selected a total of 31 measures. More often mentioned measures (in four and more answers) were: downtime allowances for the employed (introduced twice); downtime allowances for the self-employed; wage subsidies for employees; wage subsidies for healthcare workers; support for the beauty care industry; priority approach to vaccination.

Among the “general” measures, respondents indicated four as the most important: wearing face masks, remote work, suspension of the beauty industry, and introduction of remote services in state and local government institutions.

During the interviews, respondents in Latvia, respondents did not mention policies which had not been adopted. The system of adoption of policies and measures prevented the participation of social and cooperation partners from the very beginning of the policy-making process. As was explained by one of the respondents, the first step in the process was a political decision on the government’s action in response to the COVID-19 pandemic: measures were elaborated in the government and then forwarded to the working groups for discussion. The social and cooperation partners entered this process only after the measures had been pre-selected through a difficult process of finding a compromise within the coalition government. As measures had to be implemented quickly, nobody wanted to hinder the process; therefore *“discussions were limited to the details.”* Nevertheless, respondents mentioned 16 examples of proposals that were submitted but not accepted. These included proposals regarding an approach to support measures (according to NACE or otherwise), teaching process (combined face-to-face and remote work approach), vaccination, restrictions and limitation of the restrictions, support for economic actors, attempts to increase minimum amounts of support, and others. On the other hand, many proposals were accepted and used, such as support for children and pensioners, limiting and abolishing restrictions, support for the beauty industry, and some others.

Since the beginning of the pandemic, decisions have been taken **in Lithuania** to stop the spread of the COVID-19 virus. In March 2020, lockdown was imposed, unnecessary travelling was halted, and in April, mandatory wearing of face masks in public places was introduced. The low average daily number of cases (below 100 cases) in the summer has led to a relaxation of restrictions,

e.g. freedom for larger gatherings, less pressure on catering establishments. The rapid increase in cases in the autumn of 2020 was not promptly followed by more stringent measures, probably to avoid unpopular decisions in the public opinion due to the national parliamentary elections on 11 October 2020. The second lockdown was only introduced on 7 November 2020, at which time the average daily number of cases already exceeded 1000, and in December this figure exceeded 3000.

The newly formed government introduced special conditions, restrictions and procedures for working, living, resting and mobility of persons, which were monitored by the statutory bodies of the internal affairs (police, border guards, fire and rescue services, public security services). Much attention was paid to maintaining the functioning of the health sector. During the first quarter of 2021, all medical staff willing to be vaccinated received vaccinations.

All COVID-19 related measures applied in Lithuania can be divided into several categories: (1) measures targeting all residents of the country (*National Covid certificate – Opportunity Pass*), (2) measures targeting all employees of the country (*Wage subsidies for companies declaring downtime due to lockdown/emergency situation (two rounds); Suspending employees from work in the event of an emergency or lockdown; Compensation for employees in self-isolation*), (3) measures aimed at staff performing vital functions for the State (*Compensation for doctors and other officials infected with COVID-19 during their duty; Wage increases and improved social guarantees for healthcare workers; Bonuses for employees working in social service institutions; Mandatory testing of employees in some economic activities; Allowing asymptomatic COVID-19 positive workers to work in critical areas; Identification of priority groups for vaccination against COVID-19*), (4) measures for self-employed persons (*Tax deferral for the self-employed; Rental subsidies for the self-employed (two rounds); Reimbursement of marketplace fees for the self-employed; Grants for the self-employed; Subsidies for the self-employed to reorient their business activities; Compensation for the self-employed*), (5) measures targeting the elderly, the disabled and people with serious health problems (*A lump sum of €200 for pensioners and disabled people; Improvement of working conditions for employees with serious health problems; Support for self-employment of people with disabilities; Subsidising job creation/adaptation*), (6) other measures (*Temporary job-search benefit for the unemployed who would otherwise not be eligible to receive benefits; Increasing social assistance for low-income households; A lump sum payment for children on top of child benefit; Deferral of mortgage payments*).

In assessing their influence on decisions on measures to cope with the effects of the pandemic, Lithuanian employer organisations acknowledged that “*businesses were heard. And the fact that we came out of the pandemic successfully with a growing GDP is the result of everyone listening to each other*” (e.g. employers’ proposals on downtime, sick pay, outdoor work, etc. were taken into account). Among the employers’ initiatives that have not been implemented was the proposal to add to the legislation a provision that would allow workers to be dismissed immediately if they refused to be vaccinated. The statement that employer organisations were much more active during the pandemic period and made more proposals was agreed upon by both the representatives of the public authorities and trade unions. The trade unions made proposals on safety measures, their provision and compensation for workers. They also made proposals for the inclusion of supermarket workers in the list of priority groups for vaccination

(at a time when there was a shortage of vaccines), a proposal which was also supported by the employer organisations but remained unimplemented.

The identification of priority groups for vaccination also received support from all social partners in Lithuania. In 2021, these included health sector workers and essential workers, older people in residential care facilities, followed by people aged 65+ and people with chronic diseases. Teachers and educational staff were also identified as a priority group for vaccination.

In summary, the pandemic has highlighted the importance of trust in developing successful social dialogue. The fight against a “common enemy” increased the social partners’ trust among themselves during the first wave of the pandemic. The pandemic also led to a rapid shift to digital communication channels, which influenced the social partners’ collaboration – communication became more intensive and extensive. These changes have impacted all levels of collaboration: trade unions and employer organisations communicating with their members, collaboration between social partners, social partners collaborating with foreign partners, stakeholders and/or international organisations.

The survey allowed for highlighting the influence of the government’s position on the development of social dialogue. More active participation of social partners in decision-making processes can strengthen social dialogue and mutual trust. Conversely, the increased reliance of government representatives on the sole opinion of (health) experts as a priority in decision making has led to a certain distrust amongst social partners and some of the public. Interviewees stressed that the measures proposed/initiated and discussed by the social partners were more targeted and had a more positive impact on the management of the pandemic.

3.5 Evaluation of SD role in adopting protective measures in response to COVID-19

All respondents **in Latvia** claimed that social partners were involved in the process of the elaboration of anti-COVID-19 measures and to some extent also in the implementation of measures for the protection of vulnerable groups in the COVID-19 crisis. Moreover, not only the social partners were involved, but also NGOs who were interested in this process and large cooperation partners such as the LTRK. This was ensured by establishing large, very intensively working discussion groups.

The high intensity of work and broad representation in the discussion process were new features that were mentioned by almost all respondents in Latvia. Social partners were actively involved—providing comments and opinions, using lobbying measures and the media. Another feature that was specifically mentioned by the respondents was the high individuality in the work of organisations at the beginning of the COVID-19 pandemic – each organisation protected its own interests, but later this situation changed to a coordinated work between organisations with similar interests. National-level social partners and some cooperation partners formed “The Big Five” coalition. Some respondents characterised this as “a great miracle”, pointing out the ability of such different organisations – trade unions and employers, local government organisations and science organisations – to work in an effective coalition. Others considered that the composition of the coalition was effective because of mutual complementarity – different interests and knowledge were focused on the same goal.

Conversely, the larger working groups and broader representation reduced the individual power

of social partners – they were two of up to 100 other participants without special privileges. In such extreme conditions, the official social dialogue infrastructure – NTSP and its sub-commissions which met twice a year – became useless and was not the main negotiation platform during the pandemic. The alignment of different opinions occurred in the abovementioned large working groups.

It was evident that working in the coalition improved the capacity, legitimacy and prestige of the social partners. It showed new ways the social partners can work, but it also showed that the social partners can very easily become unnecessary actors.

In Lithuania, the involvement of social partners in the design and implementation of COVID-19 policy might be considered less successful than in Latvia, as in some periods a large part of the social partners, especially trade unions, were not involved in pandemic management processes.

The interviews conducted revealed the initiators and main channels of proposals for the protection of vulnerable segments of the population. It can be argued that traditional vulnerable groups were mainly represented by NGOs and academia during the pandemic. Proposals aimed at mitigating the effects of the pandemic on traditional vulnerable groups (mainly through benefits) were addressed directly to the responsible authorities (ministries). As for proposals for businesses and employees affected by the pandemic, these were made by trade unions and employer organisations. The proposals were mainly transmitted through traditional social dialogue channels. However, as already mentioned, employer organisations used more channels of influence than trade unions during the pandemic. A closer look at the initiatives of employers' representatives during the pandemic shows that their proposals were mainly aimed at maintaining the functioning of enterprises/businesses and minimising the economic impact of the pandemic. In contrast, trade unions' proposals were mostly focused on the protection of workers (their health and income). The trade unions survey found that the unions acted through their umbrella organisation, i.e., sectoral trade unions mostly raised and addressed issues of concern to their national union confederation rather than directly to the responsible public authorities.

The interviews also identified some quite rare cases of direct support by trade unions to their members. For example, one of the unions interviewed, representing employees of a social service organisation, provided substantial financial support to its organisation at the beginning of the pandemic, thus ensuring the timely purchase of work protection equipment.

4. Comparative evaluation and conclusions

The COVID-19 pandemic had a significant **impact on the labour markets** of both analysed countries. It influenced traditional vulnerable groups and created new ones. The main impact of the pandemic on the Latvian and Lithuanian labour markets (same as in many other countries) was related to the decrease in employment, significantly changed working conditions and reduced income of employed persons. The main developments mentioned by national interviewees are as follows:

- epidemiological requirements to wear masks at all times indoors and the risk of disease made working conditions worse;
- due to distance compliance, employers had to reduce the number of workers;
- operation of some sectors was suspended – workers could not work, while activity (and often – income) of other sectors (e.g., ICT, emergency medical services, food delivery, some public services) increased together increasing work intensity and psychosocial risks for employees in these sectors;
- workers had to switch to remote work without previous preparation and coverage of expenses (lack of equipment and skills, inappropriate workplace, blurred working time boundaries) – there emerged winners and losers of these changes in work organisation;
- state support did not cover pre-COVID-19 income for those who could not work or costs of those who became ill at work or had to work remotely;
- working time boundaries blurred, work organisation changed (e.g., shift work conditions changed);
- the least socially secured employees (e.g., with temporary employment contracts) suffered the most.

As the situation in both countries was developing rather similarly, the **adopted measures** also were very similar. The absolute majority of measures adopted in both countries were aimed at income support – of all employees, the self-employed, the unemployed, employees in specific sectors (health, social care, other), old-age or disabled persons, and some other categories of employees and/or people. Other adopted measures were related to health protection and other issues of epidemiological and occupational safety, as well as some other aspects related to the economic activities of the population.

Interviewees of the DEFEN-CE survey generally agreed that most of the measures adopted (and selected for the analysis in the DEFEN-CE database of measures) were relevant for vulnerable groups in the labour market. In Latvia, six measures were **considered the most important by social partners**: downtime allowances for employees, downtime allowances for the self-employed, wage subsidies for employees, wage subsidies for healthcare workers, support for the beauty care industry, and a priority approach to vaccination. In Lithuania, of all the measures targeted at vulnerable groups, the social partners interviewed singled out wage subsidies for companies declaring idle time due to lockdown/emergency situations as the most effective. Other measures aimed at income protection were seen ambiguously.

Actually, in both countries analysed, the anti-COVID-19 measures were elaborated and adopted by the governments and, where existing laws were amended or new laws were adopted, by the national parliaments. **Social partners participated** in governmental working groups to discuss (already proposed) measures. However, it should be noted that in Latvia, measures were usually

initiated by government institutions, but ideas for the measures came from sectors and social and cooperation organisations. These organisations also monitored the implementation of the measures and informed the government about undesirable effects. These effects were discussed in working groups and, if necessary, relevant amendments were introduced in the newly adopted regulatory framework, even the next day after the implementation of a norm. Social partners were full members of all working groups, but they were not the main and the most powerful partners of the government. The institutional structures of social dialogue were rarely used and decisions were taken in the working groups. In order to be heard in a large group, the social partners participated in coalitions with other stakeholders. Such practice was recognised as very effective, ensuring comprehensive consultation even better than in the traditional social dialogue framework.

In Lithuania, social partners were less involved in the whole process compared to the Latvian colleagues, and significant differences in the performance of the social partners were stressed by all actors interviewed – employer organisations were much more active and successful in these processes than trade unions. As mentioned above, if trade unions acted mainly through national trade union confederations, employers used a variety of channels trying to influence the government and its decisions. Respondents in Lithuania stressed the importance of attitudes of public institutions towards social partners – in Lithuania, the involvement of the social partners in COVID-19 management processes was highly related to the ruling coalition in place.

All respondents in Latvia considered that the activity of social partners yielded the strengthening of their legitimacy in society as a policy-relevant stakeholder. The visibility of social partners' activities depends on their capacity to participate on an equal footing with other cooperation partners. In this respect, employers' organisations in Latvia have also succeeded more than trade unions and have had more supporters among cooperation partners. Nevertheless, trade unions played an important role in the protection of the social rights of workers in both countries.

Due to a change in the government's approach from discussion solely with social partners to discussions in large groups with different stakeholders simultaneously, the role of the official social partner infrastructure has diminished in Latvia. The main reason for this has been the slow process of negotiations and decision making within the framework of social partner infrastructure and the narrow scope of stakeholders involved. Other means of influence, such as lobbying the government, media presence, discussions, press releases, and others have been used by the Latvian social partners even more than before. Moreover, these means of influence were used not only by a single social dialogue organisation, but also jointly with partners in coalitions (such as joint lobbying of the government, joint actions, joint press releases and statements). Joint actions were more powerful than actions of a single organisation. Although less frequent, the social partners still used EU-level dialogue to influence government's decisions.

In Lithuania, a divide between "traditional" social dialogue and social partners' involvement in the design and implementation of COVID-19-related measures became rather visible: COVID-19-related measures were discussed by parties (including social partners) in special (large) working groups, whereas social partners at the Tripartite Council in 2020-2021 continued to discuss quite actively "traditional" issues, exclusively related to the social partners and/or social dialogue, as a rule with little or no relation to the pandemic (e.g., in 2020, social partners at the Tripartite

Council several times discussed the issue of the selection of candidates to represent social partners in the European Economic and Social Committee (EESC)). However, the Lithuanian social partners were not the main players in the discussions on the COVID-19 pandemic and issues related to its impact.

EU-level strategies, especially in the sphere of epidemiological safety, formed an informational framework for anti-COVID-19 policies in both countries. When implementing the measures, the governments relied on the recommendations of public health professionals and epidemiologists who, in turn, relied on the recommendations of EU-level institutions. However, the ideas for the measures usually came from business and non-governmental organisations. They were conceptually formulated in the responsible ministries (especially in the Ministries of Health), discussed and agreed upon by the working groups, developed in detail in the ministries and institutions under the ministries (e.g., PES), and adopted by the national parliaments or in the form of regulations of the government or orders of sectoral ministers.

Summarising the social partners' attitude towards anti-pandemic measures and support for vulnerable groups, it should be mentioned that there are some differences between the countries – whereas in Latvia the social partners were generally in favour of the measures and quite positive about them, in Lithuania quite a lot of doubts were expressed during the interviews: whether the measures were really appropriate, whether they were really effective and targeted, etc. It is likely that this attitude is to a large extent due to the involvement of the social partners themselves in policy design and implementation. In the context of support for affected groups, the social partners often (especially in Latvia) referred to undeclared work and inadequate social guarantees, where contributions in the event of a crisis are low, the support received is correspondingly inadequate and does not help to protect socially vulnerable groups from a significant deterioration in their living standards.

To summarise the survey, in countries such as Latvia and Lithuania, where real social dialogue only started to take place after the restoration of independence in the 90s, there are still no practical “rules” or provisions on the role of the social partners in critical situations of the country. The role and importance of the social partners in the crisis management process depend to a large extent on certain “coincidences”, such as the ruling coalition and/or its attitude towards social dialogue and social partnership, the activity and proactivity of individual public authorities, representatives of trade unions or employer organisations, etc. This was confirmed by the rather different processes of social partners' involvement in the management of the COVID-19 pandemic in Lithuania and Latvia, which differed not only between countries but also in time. Nevertheless, the experiences of Lithuania and Latvia have shown that timely and realistic involvement of the social partners in decision-making processes can not only strengthen social dialogue, foster mutual cooperation (including with NGOs) and increase mutual trust, but also enhance the targeting and effectiveness of country's anti-crisis measures. Moreover, as some respondents noted: *“The crisis should be used by social partners to fulfil their goals – crisis is an opportunity.”*

Annex 1. Latvian respondents

Institution	Position of the respondent in the institution	Date of interview
<i>State</i>		
Ministry of Health of the Republic of Latvia	Advisor to the Minister for Health during the COVID-19 pandemic	20 January 2023
Ministry of Health of the Republic of Latvia	Chair of the Department of Population Health	27 January 2023
The State Revenue Service	General Director	2 February 2023
<i>Employer organisations</i>		
Employers Confederation of Latvia (LDDK)	Adviser for social affairs and social security	9 January 2023
Latvian Chamber of Commerce and Industry (LTRK)	Member of the Board	18 January 2023
Association of Beauty Specialists of Latvia	President of the organisation	9 January 2023
Latvian Association of Hotels and Restaurants	Executive director of the organisation	21 February 2023
<i>Trade unions</i>		
Free Trade Union Confederation of Latvia (LBAS)	Chair of the trade union	9 January 2023
Latvian Trade Union of Education and Science Employees	Chair of the trade union	16 January 2023
<i>NGO</i>		
Volunteers' movement "Viegli palīdzēt (Easy to help)"	Head of the organisation	31 January 2023

Annex 2. Lithuanian respondents

Institution	Position of the respondent in the institution	Date of interview
<i>State</i>		
Ministry of Social Security and Labour of the Republic of Lithuania	Senior advisor to the Labour Market Unit	27 February 2023
Ministry of Social Security and Labour of the Republic of Lithuania	Senior advisor to the Horizontal Policy Unit	1 March 2023
<i>Employer organisations</i>		
Confederation of Lithuanian Industrialists	Social dialogue expert at LPK	24 January 2023
Lithuanian Business Confederation	Director General (during 2021-2022)	7 February 2023
<i>Trade unions</i>		
Lithuanian Service Workers Trade Union (affiliated to LPSK)	Chair of the trade union	17 January 2023
Federation of Lithuanian Manufacturing Trade Unions (affiliated to LPSK)	Chair of the trade union	18 January 2023
Lithuanian Nurses Organisation (affiliated to LPSK)	Chair of the trade union	19 January 2023
Trade Union of Social Care Centre of Vilnius City	Chair of the trade union	20 January 2023
Lithuanian Ambulance Workers Trade Union (affiliated to LPS Solidarumas)	Chair of the trade union	25 January 2023
Trade Union of Baltic Transport (affiliated to LPS Solidarumas)	Chair of the trade union	26 January 2023

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