

RESEARCH

REPORTS

RECOMMENDATIONS

VĒSMA LUKSTIŅA

THE WASTE SECTOR IN LATVIA

CHALLENGES OF ORGANISING AND COLLECTIVE BARGAINING

**INSTITUTE OF
PUBLIC AFFAIRS**

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INSTITUTE OF PUBLIC AFFAIRS
Social Policy Programme

This report is one in a series presenting the findings of research carried out in Bulgaria, Czechia, Croatia, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Serbia, Slovakia and Slovenia as part of the project CEE CAW ‘Challenges for Organising and Collective Bargaining in Care, Administration and Waste collection sectors in Central and Eastern European Countries’, which was led by the Institute of Public Affairs (Warsaw). The other partners were the: Bulgarian Academy of Sciences (Sofia), Central European Labour Studies Institute (Bratislava), Lithuanian Centre of Social Sciences (Vilnius), and Centre for Democracy Foundation (Belgrade).



Management at the Institute of Public Affairs:
Dominik Owczarek, Małgorzata Koziarek

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Fundacja Instytut Spraw Publicznych
00-031 Warszawa, ul. Szpitalna 5 lok. 22
tel.: +48 22 55 64 260, fax: +48 22 55 64 262
e-mail: isp@isp.org.pl, www.isp.org.pl



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1. Methodological preface

For this study, a document review and interviews were conducted. The document review included the database and informative materials of the Central Statistical Bureau of the Republic of Latvia, the Register of Enterprises database, companies' websites, and state laws and regulations. Furthermore, the study draws on information gathered at the annual conversation festival "Lampa" on July 6, 2024, on the challenges facing the waste management industry in Latvia (LAMPA, 2024).

Five in-depth interviews were conducted for this study. One was conducted with a representative of the country's largest landfill plant and lasted 40 minutes. Four more interviews were carried out, each lasting between 40 minutes to 1 hour. Two of the interviews were conducted with representatives of the largest waste management companies, one with a representative of the Association of Waste Management Companies, and one with a leader of a multi-industry trade union that also includes the waste sector among its represented industries.

2. General characteristics of the sector

Waste management in Latvia is regulated under the Waste Management Law (Saeima, 2010) and is carried out by local government capital companies and national private business companies. The largest of them has expanded to become an international entity, but no other multinational corporations are represented in the country. The National Statistics database shows 176 companies with an E38 NACE code (waste collection, treatment, disposal activities, and materials recovery) in 2022 (Official Statistics of Latvia, 2024). Some of these companies manage the complete waste management cycle, while others are involved in specific stages of the process. Local governments that do not have their own waste management units conduct public procurement for waste collection services. However, there is no uniform national inventory of managed waste, which complicates the assessment of compliance with European directives on waste sorting.

In January 2021, the State Waste Management Plan for 2021–2028, prepared by the Ministry of Environmental Protection and Regional Development, was approved. The plan "aims to expand the system for the separate collection of waste, develop an institutional framework for waste management,

create stronger waste management regions, and implement the principles of a circular economy in order to: substantially increase waste recycling and reduce waste disposable” (Ministry of Smart Administration and Regional Development Republic of Latvia, 2021). The plan includes a comprehensive analysis of data on waste management in the country up to 2020, along with an examination of industry development scenarios and forecasts through 2035. Unfortunately, the interim results of the plan’s implementation are not publicly available. However, since February 1, 2022, a deposit system for beverage packaging produced in Latvia has been in operation, becoming mandatory upon reaching a specified amount of packaging (Ministry of Smart Administration and Regional Development Republic of Latvia, 2022).

The sorting of municipal waste through the use of shared municipal waste containers is encouraged. Biological waste sorting will be mandatory starting in 2024, except for households that compost their waste. However, residents do not always sort waste correctly or perceive value in doing so (Anstrate, Puķe, 2023), prompting large waste recycling companies to launch educational campaigns (getlini eko, 2024; ZAAO SIA, 2024).

The available information on municipal waste sorting in certain regions (atkritumi.lv, 2024), particularly from large enterprises, indicates compliance with waste management requirements (ZAAO SIA, 2024). These large companies also conduct educational and informational campaigns to encourage residents to sort their waste properly. Automated waste sorting in Latvia is currently not economically viable due to the relatively small amount of waste, resulting in a reliance on manual labour within the industry. There are two large, state-of-the-art biogas production plants in Latvia, which generate electricity and heat from the gas that is produced in these plants. One of these plants has additionally developed the cultivation of vegetables in covered areas using the produced heat (getlini eko, 2024), while the other plant is exploring the possibility of using biomethane for waste collection transport. Electric trucks have been tested by large companies but are not economically viable. However, light electric transport is being used.

The country lacks adequate vocational training programs for the waste management workforce. Industry representatives highlight the need for higher-level vocational education, while rank-and-file employees receive on-the-job training, with a particular focus on labour protection instructions.

3. Major problems and challenges in the sector

Work in the waste sector is often physically hard and involves unhygienic and unpleasant working conditions. Waste-sorting landfills and processing plants are located in remote locations with poorly developed infrastructure. There are increased occupational safety risks at these workplaces. Waste collection vehicle staff have additional requirements: they must be able to communicate with clients and navigate large trucks through narrow streets and backyards. Furthermore, specific knowledge must be acquired to use modern waste processing treatment equipment. Consequently, there is a shortage of employees in the waste sector, both among manual workers and qualified specialists in waste treatment plants. However, at the same time, employee turnover in the surveyed waste management company is relatively low: employees either terminate their employment shortly after starting or stay long-term. Seasonality is a common trend among truck drivers — they often leave for better-paying seasonal jobs and then return. Frequently, long-haul drivers come to work in the industry when they decide to stop driving long-distance routes. Workers at landfill sites receive on-the-job training, while higher-level technology specialists often study abroad due to the challenges of obtaining the necessary education in Latvia.

Industry representatives acknowledge that migrant labour is not necessary, as there is a sufficient local workforce. At the same time, they note that the country's migration policy restricts the importation of low-skilled labour.

As read on the websites of the largest waste management companies and expressed in interviews, these companies pay close attention to creating a safe working environment. Some companies have obtained an ISO 45001 certificate, while others have arranged their work environment to meet the certificate's requirements in practice. They have also joined the “Zero Charter” initiative, which focuses on creating safe working conditions and reducing workplace accidents to zero (Eco Baltia, 2024; Clean R, 2024).

However, trade union representatives point out that accidents occur. Some companies assess workplace safety risks superficially, without involving independent evaluators. New employees, in particular, are more frequently involved in accidents, which may indicate issues with safety training at work.

The trade union also points out what they consider to be unfair compensation practices when salaries are divided into two parts: a base salary of 60–70% and an allowance, which amounts to 30–40%. This system is used to penalise employees by not paying the allowance. Often, it can't be challenged. The remuneration for overtime is calculated based on the base salary, excluding allowances, which is completely unacceptable.

Industry representatives recognise that there are problems with companies operating in a grey area, especially in the management of hazardous waste and construction waste.

4. Characteristics of social dialogue organisations in the sector

Trade unions are weakly represented in the waste sector in Latvia. There is information that the Latvian Trade Union of Public Service and Transport Workers defends workers in the waste sector in 8–9 companies (LAKRS, 2024). This trade union has primary organisations mainly in municipal waste management and utility service companies. There is no information about other, smaller trade unions specific to individual companies in the waste sector.

4.1. Challenges of organising employees

Employers are not interested in building social dialogue with trade unions, and in some cases, are even hostile towards them. In some large enterprises, the work environment is well organised, workers' rights are respected, and various additional benefits and perks are offered to keep employees and persuade them not to leave. A spokesperson for a large company, which does not have union members, stated that the company provides working conditions that make employees feel they do not need to join unions, rendering it unnecessary.

Not all companies have working conditions that are good. Faced with specific issues in their relationships with the employer, employees join trade unions individually to address them. Their interests are defended individually, but the number of members in these companies is not sufficient to form a full-fledged social dialogue and to defend the collective interests.

The trade union leader concludes that as long as there are no problems, employees are not interested in joining trade unions because they are often

reluctant to pay the monthly membership fees to support a union if they don't see a personal gain.

4.2. Good practices for organising employees

As workers in the sector are poorly organised, the establishment of primary trade union organisations in two of the major companies in the sector — the country's largest waste processing landfill and one of the big private waste management companies — should be regarded as a success.

4.3. Characteristics of employer representation

An association of companies has been set up in the waste sector, which collectively addresses industry-related issues. The Latvian Association of Waste Management Companies (LASUA) is a member of the European Waste Management Association (FEAD) and represents over 50 companies across Latvia involved in waste collection and management. These companies cover almost 90% of the total market in the country and employ approximately 4,175 people (LASUA, 2024). Several years ago, there were discussions between the trade unions and LASUA about a general agreement in the industry, but these talks ended without any result. The interviewed representative of the Association of Waste Management Companies was not informed about these past discussions, but expressed support for negotiations on the general agreement, as it would help bring order to the sector.

5. Collective bargaining and other forms of social dialogue in the sector – characteristics

As there is no centralised register of collective bargaining agreements in Latvia, the number of such agreements in the waste sector cannot be determined.

With trade unions weakly represented in the waste sector, there is minimal coverage of collective bargaining. If a company lacks a trade union organisation, the Labour Law permits employees to conclude collective agreements through representatives of their choice (Saeima, 2001). In such cases, collective agreements shall be concluded at the initiative of the employer.

5.1. Content analysis of collective agreements

Collective agreements are not publicly available in Latvia, and respondents were unresponsive to requests for access to their content. This is why collective bargaining agreements are analysed through interviews.

Agreeing on salary terms is paramount in collective agreements, according to the union leader, but employers aren't necessarily interested as they are more inclined to offer additional bonuses that cost them less. Collective agreements often include provisions on the working environment, health insurance, rest periods, and the right to attend trade union events or training during working hours.

A collective agreement, initiated by one of the largest employers in the sector, which manages the waste in approximately one-fifth of Latvia's territory, was entered into with employee representatives without the participation of a trade union. The agreement provides for free transport to the workplace, workplace meals, work clothes, additional holidays, allowances for significant life events, and collective activities for employees and their families, beyond what the law requires. It can be inferred from company websites in the sector that these benefits are also offered by companies without a collective agreement. While this is a way to attract employees, an unnegotiated agreement does not create any binding obligations.

Collective agreements are updated periodically.

5.2. Other forms of social dialogue

There has been no constructive social dialogue at the sector level. Employers' issues are addressed by the Waste Management Companies Association. Additionally, companies participate in separate initiatives and associations, such as the Family-Friendly Workplace and Mission Zero for zero workplace accidents (Clean R, 2024; Eco Baltia, 2024; getlini eko, 2024; ZAAO SIA, 2024).

5.3. Impact of European sectoral social dialogue

The Latvian Trade Union of Public Service and Transport Workers representing workers in the waste sector in Latvia is a member of Public Services International (PSI) and the European Public Services Union (EPSU)

international organisations and is actively engaged in both PSI and EPSU activities (LAKRS, 2024). According to the trade union representative, this involvement has contributed to progress in social dialogue, particularly in negotiations on the introduction of labour safety measures in the waste sector in Latvia.

6. Conclusions and recommendations

In Latvia's waste sector, worker organisation in trade unions is limited, which results in minimal impact on social dialogue at both the company and industry levels. There are some positive examples of defending individual employees' rights, assessing job security risks, and engaging in collective bargaining. Large companies in the sector often declare an orderly working environment and a commitment to worker welfare as core values, yet they show little interest in collaborating with a union. Meanwhile, grey-area businesses operate with significantly poorer working conditions.

To improve the situation, trade unions must strengthen their positions by attracting more members. As employers have their own industry associations focused on organising the sector, continued negotiation of a common industry agreement that all companies in the sector should follow and benefit both workers and employers is essential.

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About the Author

Vēsma Lukstiņa is a graduate student in social anthropology at Rīga Stradiņš University and holds a Master's in Architecture. Her research interests include social dialogue mechanisms, the economic and social organisational systems in communities, their connections to kinship systems, urban anthropology, and architectural sustainability.