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European Foundation for the Improvement of Living and Working Conditions

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## Political context affecting working life aspects

### The government(s) in office during 2016

<table>
<thead>
<tr>
<th>Government 1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>In office since / to</td>
<td>01/03/2013</td>
</tr>
<tr>
<td>Name of the head of government (prime minister / chancellor / …)</td>
<td>President, Nicos Anastasiades</td>
</tr>
<tr>
<td>Name all the parties that are forming this government</td>
<td>Democratic Rally (DISY)</td>
</tr>
<tr>
<td>List the changes in the composition of the government in 2016</td>
<td>No changes</td>
</tr>
</tbody>
</table>

### Elections and referenda

<table>
<thead>
<tr>
<th>Election 1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>When did the elections take place?</td>
<td>22/05/2016</td>
</tr>
<tr>
<td>What kind of election it was? (parliamentary / presidential / referendum / local / …)</td>
<td>Parliamentary Elections</td>
</tr>
</tbody>
</table>
| Outcomes of the election (mention also % of the votes achieved by the major participants in the election) | Participation: 66.74%, Abstention: 33.26%  
The abstention rate hit a historic record in the 2016 parliamentary elections in Cyprus. Another record was the number of the parties that joined the House of Representatives by surpassing the 3.7% threshold newly introduced. The new parliament is composed by representatives from 8 different parties in comparison to the 5 of the previous one. Another major observation of the elections is the decrease of electoral power of the large parties (as indicated in the percentage below) and the increase of the smaller ones. Finally, the far-right-wing party of ELAM passed the election threshold and joined the parliament with two representatives. Democratic Rally Cyprus: 30.69% (-3.7%), 18 MPs (-2)  
Progressive Party of Working People (AKEL): 25.67% (-7.1%), 16 MPs (-3)  
Democratic Party (DHKO): 14.49% (-1.3%), 9 MPs (0)  
Social Democrats Movement (EDEK): 6.18% (-2.8%), 3 MPs (-2)  
Citizens Coalition (SymmaxiaPoltin): 6.01% (+6.01%), 3 MPs (+2)  
Solidarity (Allileggii): 5.24% (+5.24%), 3 MPs (+2) |

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<table>
<thead>
<tr>
<th></th>
<th>Party Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ecologists and Environmentalists Movement: 4.81% (+2.6%), 2 MPs (+1)</td>
</tr>
<tr>
<td></td>
<td>National Popular Front (E.LA.M): 3.71% (+2.6%), 2 MPS (+2)</td>
</tr>
<tr>
<td></td>
<td>The European Party, which had 2 MPs in the previous composition of the Parliament underwent a split with part of the party joining the Citizens Coalition with 1 MP and the other part the Solidarity also with 1 MP.</td>
</tr>
<tr>
<td></td>
<td>The new composition of the House of Representatives was renewed by a rate of 50%, since 28 MPs were not members of the previous parliament. Also the women’s share has increased in the new parliament from 7 in the previous to 11 in the new one.</td>
</tr>
</tbody>
</table>

### Additional comments

Elections for the determination of the 56 members of the House of Representatives are held every 5 years on the basis of a simple proportional system. Different from previous elections, the 2016 parliamentary elections were conducted with a minimum threshold of 3.7% parties need to surpass in order to secure their representation in the House of Representatives.
**Election 2**

<table>
<thead>
<tr>
<th>When did the elections take place?</th>
<th>18/12/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>What kind of election it was? (parliamentary / presidential / referendum / local / …)</td>
<td>Local (municipal/community) elections.</td>
</tr>
<tr>
<td>Outcomes of the election (mention also % of the votes achieved by the major participants in the election)</td>
<td>Following the trend of other elections held in the last 6 years, falling participation rates were also observed in the 2016’s local elections: Participation for mayors elections: 54.80% Participation for municipal councils elections: 54.88% Participation for municipal school councils: 55.20% Participation for community presidents elections: 73.44% Participation for community councils elections: 73.31% Much higher participation rates were observed in the local elections in rural areas (community presidents and community councils). The Elections Service of the Ministry of Interior does not produce aggregated data for the performance of political parties in local elections due to the fact that parties often run for local elections in coalition with other political forces and/or under other names.</td>
</tr>
<tr>
<td>Additional comments</td>
<td>Local elections are held every 5 years and determine the mayors, the presidents of communities (in rural areas), the composition of municipal councils, municipal school councils and community councils.</td>
</tr>
</tbody>
</table>

**Forthcoming significant elections or political events in 2017**

Undergoing negotiations for the solution of the Cyprus problem, i.e. the reunification of the country and its people, entered at the end of November 2016 in its final stage. The final stage is expected to extend into the first half of 2017. In case of a positive outcome of the negotiations, a referendum for the approval of the agreement is expected to take place within 2017.

**Reactions from the social partners on new government’s working life policies**

Not applicable
Developments in social dialogue and collective bargaining 2016

Major developments in national/peak-level social dialogue 2016

Changes affecting the social dialogue actors and institutions in 2016

Representativeness

There were no changes

Major developments affecting the main actors

In consequence of the recent economic and financial crisis with climbing unemployment rates, trade unions report declining membership. The declining trend in membership is reported by unions to have stabilised in 2016, going with the stabilisation of the labour market. Noteworthy development in the last years is the resolution in December 2015 of the Cyprus Bankers Employers’ Association (KEST). KEST was resolved on the decision of its last remaining members, soon after major banks, such as the Bank of Cyprus and the Cooperative Central Bank left the association. Now, the Union of Cyprus Banking Employees (ETYK) will have to negotiate collective agreements with each one of the banks separately.

Legislative or institutional changes to the main social dialogue institutions

There were no changes

Changes in the social dialogue processes

There were no changes were adopted.

Main social dialogue topics and outcomes in 2016

<table>
<thead>
<tr>
<th>Themes</th>
<th>Description of issue</th>
<th>Main result</th>
</tr>
</thead>
<tbody>
<tr>
<td>General labour market topics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job creation, reduction of</td>
<td>The Pancyprian Federation of Labour (PEO) addressed in March 2016 a formal complaint to the minister of Labour and Social Insurance over the council of minister’s decision to adopt a draft law on a “Subsidies Scheme for Private Employment Services for the promotion of employment” without prior a consultation in the tripartite Employment Committee.</td>
<td>Tripartite technical Committee was convened.</td>
</tr>
<tr>
<td>unemployment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active labour market policies</td>
<td>No (major) issues debated in this area</td>
<td></td>
</tr>
<tr>
<td>Benefits (unemployment,</td>
<td>No (major) issues debated in this area</td>
<td></td>
</tr>
<tr>
<td>Taxation and non-wage related labour costs</td>
<td>No (major) issues debated in this area</td>
<td></td>
</tr>
<tr>
<td>Pension reforms</td>
<td>No (major) issues debated in this area</td>
<td></td>
</tr>
<tr>
<td>Labour market participation of different groups</td>
<td>No (major) issues debated in this area</td>
<td></td>
</tr>
</tbody>
</table>

**Working life related themes**

<table>
<thead>
<tr>
<th>Wage setting systems, including the setting of minimum wages</th>
<th>Working time regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The minister of Labour, Welfare and Social Insurance has initiated in October 2016 a tripartite social dialogue for the reactivation and reformation of cost of living allowance (wage indexation) in the private sector. The wage indexation for the private sector has been suspended since January 2013.</td>
<td>Due to decisions taken by the District Court of Nicosia and the High Court at the beginning of 2016, declaring as unconstitutional some provisions of the Law on the Operation of Shops and the Terms of Employment of Employees, the retail sector, as concerns opening hours, has remained unregulated. Ongoing negotiations between the government and the House of representatives aim at finding a solution leading out of the current constitutional deadlock.</td>
</tr>
<tr>
<td>2. Following the failure of the Ministry of Finance to introduce per legislation upper thresholds for wage increases in the broader public sector, the minister entered into negotiations with the major trade unions (PEO and SEK) for the conclusion of a framework agreement for the employees concerned.</td>
<td></td>
</tr>
<tr>
<td>1. Consultation ongoing.</td>
<td>Negotiations ongoing</td>
</tr>
<tr>
<td>2. Conclusion of framework agreement</td>
<td></td>
</tr>
</tbody>
</table>
| Terms and conditions of employment, including different forms of contracts | 1. Following a mediation by the Labour Relations Department (Mediation Service) of the Ministry of Labour, Welfare and Social Insurance an agreement was reached enabling the renewal of the collective agreement in the hotel industry of the country, which among others terms included also the legislative regulation of some of the terms of employment.  
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Health, safety and well-being at work</td>
<td>Tripartite consultation in the Labour Advisory Body on the Health and Safety at Work Law – regulations and orders for medical inspections in port and asbestos related works.</td>
</tr>
<tr>
<td>Work-life balance related themes, incl. family leaves</td>
<td>On November 7, 2016 a consultation of the National Demographic and Family Policy Body has been held under the presidency of the Minister of Labour, Welfare and Social Insurance</td>
</tr>
<tr>
<td>Skills, training and employability</td>
<td>No (major) issues debated in this area</td>
</tr>
<tr>
<td>Any other relevant themes/topics addressed in the national level/peak level social dialogue</td>
<td>1. The President of the Republic has initiated in July 2016 a dialogue with the political parties of the country aiming at reaching a consensus on reforming the legislation for the introduction of the National Health Scheme. An understanding was reached</td>
</tr>
</tbody>
</table>

1. Legislation adopted 
2. Legislation adopted 

Legislation adopted 

and now consultations are carried forward in the Health Committee of the House of Representatives with the involvement of social partners.

2. In July 2016 the Minister of Labour, Welfare and Social Insurance has held consultations with most representative employee’s unions in the private sector (SEK, PEO and DEOK) over a draft law amending the Social Insurance Law and the related regulations 10 and 78 aiming at introducing new or sharpening existing sanctions against employers who violate the obligation to communicate to the Social Insurance Fund the recruiting of employees.

Examples of selected significant social dialogue debates

Cost of Living Allowances (COLA) Debate

The minister of Labour, Welfare and Social Insurance has initiated in October 2016 a tripartite social dialogue for the reactivation and reformation of cost of living allowance (COLA, i.e. wage indexation) in the private sector. The wage indexation for the private sector has been suspended since January 2013 in response to the requirements of the memorandum of understanding concluded in 2013 between the government and its creditors.

The COLA is an essential part of the wage setting mechanism both in the private and public sector and is of great importance for trade unions, as it neutralises the impact of price increases on the purchasing power of wages. Practically, COLA means that two times a year wages and salaries are adjusted by the rate of growing or falling Consumer Price Index (CPI).

The first issue addressed at the negotiation table was whether with the reactivation of COLA in 2017 wages should be adjusted on the basis of the CPI’s performance in the last four years, as the employers’ organisations demanded. This would actually mean that wages should be decreased, as the PCI fell by more than 5% in the last four years. The trade unions opposed this perspective by setting against that this would be a second hit against the workers’ earnings, as they have already suffered enormous losses during the economic downturn. The Minister of Labour has announced on the 10th January 2017 that on her request the employers’ organisations agreed not to proceed in the first half of 2017 to any wage decreases conditional to falling values of the CPI during the last four years, where COLA was suspended. She has also announced the continuation of an intensified second round of negotiations for the final regulation of all COLA related issues.

Additional issues to be discussed in the forthcoming negotiations relate with some modalities of COLA, such as the annual frequency of wage adjustments, as well the terms for future suspension of wage adjustments in the event of negative growth rates of the economy.
The Introduction of the National Health System Debate

The President of the Republic has initiated in July 2016 a dialogue with the political parties of the country aiming at reaching a consensus on reforming the legislation for the introduction of the National Health Scheme. An understanding was reached and now consultations are carried forward in the Health Committee of the House of Representatives with the involvement of social partners.

Initial discussions for the introduction of a National Health Scheme are going as back as the beginning of the 1970’s. However, the first serious attempt was made as late as 2001 with the adoption of Law on the General Health Scheme (Law 89(I) of 2001). The 2001 law has never been implemented, despite the fact that it enjoyed the support of political parties as well as the consensus of employers’ and employees’ organisations. Only the Health Insurance Organisation was established, which was provided for by the 2001 law should undertake the operation of the scheme.

The deterioration of the situation in public health care during the economic crisis with exponentially increased number of patients overcrowding the insufficient staffed public hospitals, the introduction of a National Health Scheme with a tripartite funding has become an imperative.

With the submission of the draft law amending the 2001 law in October 2016, the debate over the introduction of the National Health Scheme was transferred to the Health Committee of the House of Representatives. The 105 pages-long draft law aims at an general overhaul of the 2001 law, however the main characteristics of the scheme remained untouched, as the universal coverage, the retaining of the Health Insurance Organisation as the single insurance provider, comprehensive health service coverage, tripartite funding.

The debate carried out in the hearings of the Health Committee relate at the moment with the rate of contributions by the employer, the employee and the government calculated on the gross salary of the insured person. The 2001 law provides for contributions of 2%, 2,55% and 4,55% for employee, employer and government respectively. The 2001 law provides also for 10% co-payments by patients for medicine. Now the minister of health has submitted an additional proposal increasing the contribution of both the employer and the employee to 2,85%, while retaining the rate of the government at the same level. Trade Unions are opposing the proposal because it is violating proportional balance of the 2001 law, while employers’ organisations expressed their disagreement on the rate increase for be contributed by the employer. Another issue that might lead to confrontation is the question whether the scheme should remain with the Health Insurance Organisation being the sole insurance provider or whether the scheme should accept private insurance companies as additional service providers. The latter option is supported by some stakeholders, but sharply opposed by the trade unions.

Framework Agreement between Trade Unions and Government

The reaction of the trade union movement against the intention of the government to regulate wage increases in the broader public sector by introducing a legislation setting upper thresholds for wage increases equal to the annual growth rate of nominal GDP, as well as the rejection of the respective draft law by the House of Representatives forced the government to withdraw. Both the opposition by the trade unions and the rejection of the draft law by the House of Representatives were justified on the basis of the Industrial Relations Code, which provides for collective bargaining between the employers’ and the employees’ organisations. Thereafter, the government entered into negotiations with of the two major trade unions the country, PEO and SEK. The negotiations resulted to a conclusion of a framework agreement on the 4th of January 2017 covering the period from 1st of January 2015 to 31st of December 2018 and applying to all employees in the broader public service (not public servants), i.e. employees of local authorities, employees of state-owned enterprises, wage earners of the public service, etc.
The agreement provides for zero wage increases for the years 2015 and 2016. From 2017 and 2018 the agreement foresees the introduction of a mechanism for the determination of upper thresholds of the payroll increase equal to the growth rate of nominal GDP. For the calculation of the upper thresholds, reference periods have been agreed applying for both the payroll and the growth rate of nominal GDP. Any changes of the level of employment will not be taken into consideration for the calculation of the payroll. Practically, the framework agreement paves the way for the negotiation of the collective agreements in the broader public sector. Negotiating parties will now be obliged to adhere to the limits set by the framework agreement.

The framework agreement satisfies both parties. The government on the one side achieved at least for the next two years to bring under control the development of the payroll, as was the intention of the failed draft law. On the other side, the trade unions could at this stage defend their right to collective bargaining of wage increases in the broader public sector, as well as the adherence of the government to the Industrial Relations Code. Furthermore, the trade unions can with this agreement initiate the gradual restoration of wages in the broader public sector, which have been hit during the economic crisis and the austerity policies implemented in the last years. In the short- and medium-term, trade unions are expecting these developments to have a positive impact on their struggle for reversing the wage declining trend also in the private sector.

**Opening hours in the retail sector**

Due to decisions taken by the District Court of Nicosia and the High Court at the beginning of 2016, declaring as unconstitutional some provisions of the Law on the Operation of Shops and the Terms of Employment of Employees, the retail sector, as concerns opening hours, has remained unregulated.

The dispute originated in the practice of the Minister of Labour, Welfare and Social Insurance since 2013 to extending per order the limits of touristic areas covering almost all the island and therewith extending the opening hours of shops, including Sundays. This practice met the opposition of the majority in the House of Representatives, which initially with an amendment of the relevant law transferred the jurisdiction from the minister to the Council of Ministers. The latter would then need to seek the approval of the parliament. However, the Council of Ministers submitted a draft regulation in the same spirit as the order of the minister. Thereafter, in May 2015, the House of Representatives adopted a new amendment of the law defining itself the touristic areas and opening hours of shops. The President has sought the opinion of the High Court, which on the 3rd of December 2015 found the amendment of the law as violating the principle of separation of powers. On the 2nd of December 2015 the Council of Ministers submitted a new draft regulation to the parliament which was again rejected. The President appealed to the High Court requesting the annulation of the last amendment and the declaration of the new regulation as valid. However, on the 28th of March 2016 the High Court considered the appeal as delinquent, thus leaving the regulation of opening hours of shops and the definition of touristic areas unregulated. Neither the law of the parliament is valid nor the regulation of the Council of Ministers.

Ongoing negotiations between the government and the House of representatives aim at finding a solution leading out of the current constitutional deadlock.

**Sectoral and company level social dialogue 2016**

**Renewal of Collective Agreement in the Hotel Industry and Legislative Regulation of some of the Terms of Employment**

On the mediation of the Minister of Labour, Welfare and Social Insurance an agreement was reached in March 2016 between the trade unions and employers organisation of the island’s hotel industry leading to the renewal of the sector’s collective agreement. The renewed collective agreement is retroactively valid from the 1st of January 2016 until 31st of December 2018. The agreement includes the recovery of benefits that have been suspended or cut in
response to the economic crisis, as well as the legislative regulation of some of the terms of employment of hotel employees. For the latter please read below, under “Main developments - other than wages and working time - from important collective agreements or bargaining rounds”.

Main developments - other than wages and working time - from important collective agreements or bargaining rounds

Legislative Regulation of some of the Terms of Employment of all Hotel Employees

The legislative regulation refers to entitlement of all hotel employees in Cyprus to a) provident fund payments for permanent employees after six months of service and set at a minimum rate of 5%; this right can be claimed also seasonal employees after they have completed at least 18 months of service in consecutive seasons, b) two days off per week, with the employer having the right to withhold one day off, which he either has to pay to the employee by a rate of 1.2 or provide as additional leave to the employee in other less busy periods and b) a defined list 15 days of public holidays, which are to be remunerated by a rate of 1:2 or provided to the employee as leave. The terms of employment concerned have been taken as per House of Representatives’ decision into the “Terms of Employment Regulations for Employees in Hotels - 2016”.

Examples of innovative collective agreements (at any level) made during 2016

None

Policies and actions to address pay-inequalities

The recent public debate on pay gaps at the workplace

Change of the duration of Employment for Contractual Primary School Teachers

Among the multiple issues that the primary school teachers’ trade union, POED, listed for its decision to proceed to work stoppages in selected primary schools in fall 2016 and other measures, was the change of the duration for employment of fix-term teachers from 12 to 10 months. POED is against the turn of the government for the employment of contractual employees against the permanent needs of the sector. The change, according to POED, is becoming a precedence practice as it is implemented for a second year and despite the affirmation of the government that it would not be repeated. POED sees the practice as an adverse discrimination against the fix-term teachers, who enjoy less benefits than permanent teachers. It affects the smooth functioning of the school, complicates the educational work and widens the annual pay gap between permanent and fix-term teachers.

Positions regarding the posted workers directive

The mentioned debate has not been carried out in Cyprus.

Social partners in the country are at the moment engaged with the transposition into national legislation of the Directive 2014/67/EC on posting of workers. The Ministry of Labour, Welfare and Social Insurance has for this reason prepared a draft law aiming at incorporating the provisions of the Directive 2014/67/EC into national legislation. The new draft law is intended to replace the existing law of 2002 on posting of workers. The draft law has been subjected to debate in a tripartite technical committee set up within the framework of the Labour Advisory Body. The technical committee was convened three times between September and November 2016. Thereafter, the ministry has prepared a screening document summarising the positions and views of the social partner’s representatives in the technical committee. The document has been forwarded to all members of the Labour Advisory Body for further consultation.

The positions and views presented below were extracted from this screening document.
The main areas of debate in the technical committee concerned: a) the nature of sanctions (imprisonment and fines or only fines) against violators, b) the amount of fines against violators and c) whether for the determination of minimum terms of employment collective agreements and minimum wages should be taken into consideration.

**Positions of trade unions**

Trade unions representatives in technical committee have been in favour of a) imprisonment and fines against violators, b) higher fines as foreseen by the draft law and c) taking into consideration of collective agreements and minimum wages for the determination of minimum terms of employment.

**Positions of employers organisations**

Representatives of employer’s organisations have been in favour of a) limiting sanctions to fines, b) lower fines as foreseen by the draft law and c) ignoring collective agreements and minimum wages for the determination of minimum terms of employment.

**Position of the government**

The Labour Department has been prudent in transposing all provisions of the 2014/67/EC Directive, mostly by adopting the verbatim of the directive. The draft law in its screening version still contains provisions for a) both imprisonment and fines against violators, b) moderate fines and c) taking into consideration of collective agreements and minimum wages for the determination of minimum terms of employment.

**Pay gaps at the workplace**

**Evidence**

The new book publication of the Cyprus Labour Institute (INEK-PEO) on the ‘Factors Affecting the Gender Pay Gap in the Hotels in Cyprus’ (Antoniou et al. 2016 in Greek) has recently been launched. Preceding the publication, a country wide quantitative study with the participation of hotel employees has taken place, as well as a statistical analysis of the most recent economic microdata. According to the findings of the study, a complex set of intersectional factors determine men’s and women’s wages creating adverse conditions for the working women and violating their individual and collective rights. It seems that these factors generate an employment model in the Industry, which is difficult to be reversed without the implementation of the principle of pay equality and the recommendation of sectoral and company level corrective measures. The deconstruction of the determining factors in the study points out that horizontal and vertical occupational segregation is a major determinant of the Gap. Men and women are gathered with high percentages in particular hotel occupations and departments. Women usually perform tasks that required low skills, low occupational training expertise and low educational background whereas men perform more specialized tasks with more future prospects. Additionally, women have lower numbers of representation both in positions that require supervision of other employees and positions in the higher managerial structures of the hotels. Even in the departments that the percentages of men and women are equal or more women are found in the department (e.g. the departments of restaurants, cafeterias and bars), most of the supervising positions are possessed by men. The prevailing attitudes among the working force for the over-representation of women in particular occupations and the underrepresentation of women at the top hierarchical positions of hotels are very much connected with the phenomena of ‘glass ceiling’ and ‘glass wall’.

Often, the participants in the study explained the phenomena on stereotypes related of what a woman or a man is able or not able to do at work. A lot of participants hold the attitude that ‘women’s nature’ determines their abilities and inabilities and/or defines the tasks they
perform. Additionally, the migrant populations in the Industry, and particularly migrant women, are those experience most forms of discrimination in relation to their working conditions receiving less remuneration than local workers, possess fewer positions that require supervision of other workers and are promoted less frequently than Cypriots. Migrant women, however, report that they possess positions that require supervision more frequently than migrant men.

Antoniou Loucas, Elias Ioakeimoglou, Thekla Kyritsi and Evaggelia Soumeli 2016  Factors Affecting the Gender Pay Gap between Men and Women in Cyprus Hotels (in Greek). Nicosia, INEK-PEO.

The Labour Relations Department of the Ministry of Labour, Welfare and Social Insurance has conducted in 2015 and 2016 in total 1000 inspections in relation to the application of the gender pay equality legislation. The report of the inspections in not yet available.

**Policies to address pay inequalities at the workplace**

**Legislative Regulation of some Terms of Employment for Hotel Employees**

The legislative regulation of some of hotel employees’ terms of employment is a considerable measure towards combating pay inequalities, since it secures to all sector’s employees certain entitlements, independently whether they are covered by the collective agreement or not. For more information on the regulation please read above, under “Main developments - other than wages and working time - from important collective agreements or bargaining rounds”.

**Law for the Regulation of the Employment of fixed-term employees and employees with indefinite contracts in the public service**

The law replaced various other legal instruments governing the status of temporary employees of different employment duration or of different category in the public service. The law now defines only one category of fix-term employees in the public service, thus removing unequal treatment among the previous various categories of fix-term employees. The main provisions of the law are: a) temporary employees will be recruited for the same employment duration, namely for a six months term, b) employment contracts of temporary employees with continuous or consecutive service of longer than 30 months will be converted to indefinite contracts, c) introduction of performance assessment; thereafter, employment of insufficient employees will be terminated, d) the 10% wage cut, as imposed to all new recruits in the public service, will be terminated after 24 months of service.

**Social partner's involvement in addressing pay inequalities at the workplace**

NOTE: No need to replicate information on the ‘equal-pay days’ here.

Trade Unions in Cyprus have in the last years taken into their priority agenda the issue of bridging the gender pay gap. Trade Union’s measures place emphasis on eliminating any provisions in collective agreements that may provide space for pay discrimination on the ground of gender.

Both trade unions and employers organisations are actively engaged in the National Gender Equality Body which is operated by the Labour Relations Department. The body certifies businesses for pursuing good practises in relation to gender equality including pay. For more information on the Body see “Incentives for Business for the implementation of measures for the reconciliation of work and family life” under the chapter “Promoting the reconciliation of working families and caregivers”.
Promoting the reconciliation of working families and caregivers

Background information:

Facts and figures from the EWCS on work-life balance, with specific focus on working families and people with care responsibilities: see overview report 6th EWCS (p.XXX).

Roadmap New start to address the challenges of work-life balance faced by working families

EP Motion for a resolution: Creating labour market conditions favourable for work-life balance

Overview of status quo of maternity/paternity/parental leave provision (summary of WLCP, maternity leave and paternity leave report).

Recent policies

The consultation took place on November 7, 2016 for the implementation of the Action Plan 2016-2017 of the National Demographic and Family Body has taken decisions on issues related on the reconciliation of work and family life including the following:

Infants Care Facilities: The action refers to the continuation of the subsidy of facilities for infants care within the framework of the State Aid Schemes implemented by the Social Welfare Services of the Ministry of Labour, Welfare and Social Insurance. In total, 59 facilities have been subsided in 2015; the same numbers apply also for 2016. According to applications received by the Social Welfare Services, there is no anticipated need to increasing the number of facilities to receive subsidies. Since 2015, 8 of the facilities receive additional funding to extend their operation on Saturdays, so as to better support working parents of the private sector.

Introduction of paternity leave: The action is under the responsibility of Social Insurance Services, the Labour Department and Labour Relations Department. Social Insurance Services requested an actuarial study from the Ministry of Labour, Welfare and Social Insurance for the cost of the introduction of the institution of paternity leave. New developments on the issue are expected in the future.

Incentives for Business for the implementation of measures for the reconciliation of work and family life: The Labour Relations Department is the responsible authority for the implementation of the programme “Actions for the reduction of the gender pay gap”, which was carried out between 2010 and 2015. Within the framework of the programme, the National Gender Equality Certification Body was formed, as a responsible Body for providing certifications to businesses implementing good practices on gender equality. Different types of certification of businesses are available ranging from a single practice to a holistic system that promote equality. In order to get certified, businesses need to implement or adopt at least one of the following targets: a holistic commitment on equal treatment between men and women, processes for recruitment and promotion based on equal treatment of men and women, opportunities for vocational training for all, objective evaluations of employees based on productivity and skills and equal remuneration on the same base, practices on the reconciliation of family and work life, participation of men and women on human resource and equal treatment issues and processes dealing with harassment and sexual harassment at the workplace. The Body has certified 34 businesses by the end of 2015. For 2016 there are no data available yet. Social partners have been actively involved in the implementation of the action and they are represented in the council of the National Gender Equality Certification Body.

Awareness Raising Campaign on Maternity Legislation: In 2016, an awareness raising campaign has been carried out by the Department of Labour that aimed at informing the general public over the legislation on maternity. The Department of Labour enriched contextually its information material for this purpose and distributed them to the workplaces. The material was made available at the department’s website as well. In parallel, the
campaign has been expanded to maternity clinics and obstetricians. The campaign will take place in 2017 as well in collaboration of the Department of Labour with the Gender Equality Committee.

**Extension of Operation of Public and Community Nurseries:** The action was introduced in the academic year 2015-2016 and refers to the operation of public and community nurseries all around the year including the periods of summer and/or Christmas and/or Eastern vacations, aiming at supporting working parents. It is implemented by the Ministry of Education and Culture. In total, 111 community nurseries have been involved in different ways in the action for the academic year 2015-2016. At least five nurseries extended their operation to cover the summer vacations of 2016. The action has been thought as an extension of a similar programme involving primary schools, which was introduced with positive outcomes one year before.

**Extension of the whole-day primary school on compulsory basis:** The programme is implemented by the Ministry of Education and Culture and intends to expand the whole-day operation of primary schools on compulsory basis, by extending also their operation into summer, Christmas and Eastern vacations. The programme was introduced in the academic year 2014-2015. For summer 2015, 22 summer primary schools with 2200 pupils were involved in the programme. In 2016, the number of attendees increased by nearly 30% reaching 3400. All children are illegible to participate in the action, however emphasis is placed on children from vulnerable families. In addition, two nurseries operated in 2016 as summer schools. An additional action implemented in 2015 and 2016 referred to the operation by 16 municipalities of Children Protection and Activity Centres. Such centres operate for several years and are much appreciated, since: a) they require low budget, b) they offer an expanded operating timetable, c) they provide attractive facilities to attendees such as lunch, rooms for relaxation and recreational activities and d) the vulnerable groups are better served. In the summer of 2015, 2138 children have been accommodated within these centres.

**Rights to request special working time arrangements, place of work etc.**

Special working time arrangements for the reconciliation of working families and caregivers are not wide spread in Cyprus. There are, however, some companies which apply working families’ friendly working time practices.

KPMG Cyprus, for example, is operating a scheme entitling employees to flexible working hours, as well as special working time arrangements to working mothers.

**The role of collective agreements**

No research-based evidence available.

No collective agreements were found in Cyprus that include any clauses as regards the reconciliation of working families and caregivers.
The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency, whose role is to provide knowledge in the area of social, employment and work-related policies. Eurofound was established in 1975 by Council Regulation (EEC) No. 1365/75, to contribute to the planning and design of better living and working conditions in Europe.