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Trade unions in Cyprus: a blank spot on the map

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Whenever Cyprus comes up as a topic, one aspect seems to be of exclusive interest: the conflict between Greeks and Turks living on the island. It is not self-evident that Cyprus could be a field of interest for research on industrial relations and trade unions. This is confirmed by the state of research. Only outdated monographs and a very few articles can be found. It is not easy to gather data and to discuss the situation in Cyprus in the context of a theoretical framework. As far as “Europeanization” is concerned, Cyprus is a “late-comer” as it did not join the European Union until 2004. Studies on this round of EU enlargement reflect what was noted before: industrial relations and trade unionism have been analysed in most of the Central and East European countries, but not in Cyprus. The island remained a “blank spot on the map”. This holds true especially when it comes to the Turkish Cypriot side. What can be presented here with respect to trade unions in the Northern part of Cyprus must be understood as preparatory work for further research.

As far as Europeanization is concerned, the situation in the Greek-dominated “Republic of Cyprus” differs very much from the “Turkish Republic of Northern Cyprus” (TRNC). In legal terms the whole of the island became an associate partner of the European Economic Community when the respective treaty was signed in

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2 The use of the name “TRNC” does not imply any legal recognition of the political entity in the North of Cyprus. It simply makes use of the name which was given by the Turkish community itself. The legal and constitutional dimension of the Cyprus question is extremely complex. It implies on the one hand the persistence of the “Republic of Cyprus” and its recognition by the international community, the EU included. On the other hand the question arises: What is the TRNC, which is exclusively recognized by Turkey? For a discussion of these aspects see Frank Hoffmeister, Legal Aspects of the Cyprus Problem. Annan Plan and EU Accession, Leiden 2006; René Poew, Der Beitritt Zyperns zur EU – Probleme des Völkerrechts, des Europarechts und des zypriotischen Rechts, Münster 2007; Heinz-Jürgen Axt, “The Island of Cyprus and the European Union”, in: Clement Dodd (ed.), Cyprus. The Need for New Perspectives, Huntingdon 1999, pp. 174-194; Heinz-Jürgen Axt/Nanette Neuwahl, “The Cyprus Ouverture”, in: Nanette Neuwahl (ed.), European Union Enlargement: Law and Socio-Economic Changes, Montreal 2003, pp. 11-40.
December 1972. But in reality, only the Greek Cypriot side – including trade unions – had the chance to develop closer relations with European institutions and organisations. The Turkish North remained in international isolation due to the developments which followed the intercommunal struggle since the early 1960s, the invasion of the Turkish army in 1974 and the proclamation of the TRNC in 1983. Therefore two models of Europeanization can be identified: In the South networks were established between Cypriot and European actors. As far as trade unions are concerned the developments in the South may be analysed along the classical definition of Europeanization which was given by Claudio Radaelli: “Europeanization consists of processes of a) construction, b) diffusion and c) institutionalisation of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’, and shared beliefs and norms which are first defined and consolidated in the EU policy process and then incorporated in the logic of domestic (national and subnational) discourse, political structures and public policies.”

Contrary to this approach, a distinct model of Europeanization characterizes the situation in the Northern part of Cyprus. International contacts of Turkish Cypriot trade unions are restricted, although one of the trade unions, TÜRK-SEN (Kibris Türk İsci Sendikaları Federasyonu,) is member of the European Trade Union Confederation (ETUC). Europeanization for the Turkish Cypriots is identified primarily with the perspective of being incorporated in the European Union without all the restrictions and exemptions which currently characterize the situation. Turkish Cypriots want to benefit from EU membership in all its aspects – be it free movement of labour, financial assistance, social dialogue or anything else. As a consequence “Europeanization North” lays a strong emphasis on a solution of the island’s divide, as this is the only way to open the door to the European Union. This could be observed especially when it came to the so-called Annan Plan of the General

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3 It is important to add that no regulation was fixed with respect to membership.
5 In legal terms the North of Cyprus is included in EU membership of the EU. As was decided by the European Council in Copenhagen in December 2002 it needed a unanimous vote of the Council to expand the acquis communautaire to the Northern part of Cyprus, which is not controlled by the Government of the Republic of Cyprus. This was confirmed by Protocol No. 10 of the accession treaty, which was signed on the 16th of April 2003 in Rome. See Heinz-Jürgen Axt, “Zypern: Mitglied der Europäischen Union, aber weiterhin geteilt”, in: Rudolf Hrbek (ed.), Die zehn neuen EU-Mitgliedsländer. Spezifika und Profile, Baden-Baden 2006, pp. 115-130.
Secretary of the United Nations, which was subject of separate referenda by the two communities in April 2004.

1. Development of the Cyprus labour movement before and after the division

Although industrialization did not start until Cyprus became independent in 1960, the founding of trade unions goes back to the 1920s. In 1924 a first association was founded by tailors. Miners followed in 1929 and 1931. Hence Cyprus has a long tradition in the development of a functioning industrial relations system. Of course this fact cannot hide the dire conditions prevailing at the beginning of the previous century when the first labour movements began. Up till 1930 the term “workers’ rights” was non-existent, whilst the terms and conditions of employment of workers were appalling. Even though there were a number of worker mobilizations during this period, these attempted uprisings failed due to their suppression by the Colonial British Government. At the same time, any efforts to create serious labour movements that could effectively promote and safeguard workers’ rights also faced the strong opposition of the British Colonial administration. As had been the case in Greece, a split characterized the early years of the labour movement: The society was divided by followers of the Orthodox church on the one hand, and “Communists” on the other hand. The Socialist ideology was imported by young intellectuals from Greece. Nationalists (“ethnikifrones”) were challenged by leftists (“aristeroi”). The constitution of the associations were usually based on that of Greece’s trade unions.

The first trade union law was enacted in 1932, leading to the appointment of the first trade union registrar. The law as well as the registrar were modelled to the British standards. The fact that the trade unions assumed the principle of the “closed-shop system” must be understood in this context. Although from the very beginning the

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British influence on trade unionism can be identified, it will become evident that the unions did not copy this model but developed a specific characteristic. With this development, the registration of trade unions became obligatory. This, though, did not mean that the Colonial government had in any way changed its stance towards organised workers’ groups, since five years after the enforcement of the new law, there was still only one registered trade union. When it came to strikes, a major motivation was to be registered with the Colonial administration. It is obvious, then, that the restrictions laid out in the Law were insurmountable, whilst at the same time, the stance held by the British against trade unions remained unchanged.

By 1939, the number of registered trade unions had increased significantly (to over 30). These trade unions lacked any coordination amongst themselves - a fact that eroded any power they could gather. In November 1939, the first unsuccessful effort to merge, or at least to increase cooperation amongst trade unions, took place in the form of the First Pancyprian Trade Union Conference. In 1941, a second Conference was organised, resulting in the establishment of the Pancyprian Trade Union Committee (Pankypria Syntechiaki Epitropi, PSE). PSE was affiliated with the Leftists. After having been declared illegal in 1946 by the British Colonial government because of “anti-British propaganda”, in 1946 this Committee was transformed into the Pancyprian Federation of Labour (Pankypria Ergatiki Omospondia, PEO) – one of the main trade unions active till today. In 1941 the Colonial government eased some of the existing restrictions by amending the trade union law, thus providing new freedoms and rights. These amendments can now be seen as the starting point for the further development of trade unionism in Cyprus. The year 1944 saw the establishment of the Cyprus Workers’ Confederation (Synomospondia Ergaton Kyprou, SEK), which required six long years for its application to be registered as a trade union, to be approved by the Registrar of Trade Unions. SEK was “nationally” oriented. In 1948, an important new development took place, with the establishment of the Labour Advisory Board – a tripartite body of social dialogue. The Labour Advisory Board still plays a commanding role in the area of industrial relations and social dialogue till this very day, with its role also extending into the more general area of labour and employment issues. As PEO and SEK were Greek Cypriot foundations, the first Turkish Cypriot trade union emerged in 1943. But it took more than ten years for a Turkish Cypriot federation (TÜRK-SEN) to be registered (see
below). Its objective was to draw away the Turkish workers belonging to PSE. Whereas TÜRK-SEN’s ideology may be characterised as liberal, a Marxist-oriented union was founded in 1976 by Turkish Cypriots, two years after the Turkish army had intervened in Cyprus. For the founders of DEV-İŞ (Devrimci İşçi Senikalari Federasyonu, Revolutionary Trade Union Federation) it obviously no longer made sense to be organised in one union together with Greek Cypriots at that time. Although Cyprus was divided in 1974, many contacts took place between Greek and Turkish Cypriot trade unionists on a formal and informal basis in both parts of the island.7

From 1950 onwards, trade unionism continued to develop at a rapid rate. In 1954, the Pancyprian Federation of Turkish Trade Unions was established, whilst throughout the 1950s a large number of independent trade unions were also founded. These independent trade unions were mainly focused on representing employees in semi-government organisations, whilst at the same time trade unionism in the public sector also experienced rapid development.8

With the establishment of the Republic of Cyprus in 1960, the Republic's Constitution explicitly safeguards the right to organise and the right to collective bargaining, whilst with the ratification of ILO Convention No. 87 on the Freedom of Association and the Right to Organise, and Convention No. 98 on the Right to Organise and Collective Bargaining, all these rights acquired legal stature. In 1965 a new Trade Unions Law was enforced, providing extensive protection and total freedom for the registration of trade unions. Also, in 1962, the Cyprus Democratic Labour Federation (DEOK, Dimokratiki Ergatiki Omosponida Kyprou)) was established, and became active as a trade union after its re-establishment in April of 1982.

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7DEV-İŞ and PEO, for instance, organised a bi-communal concert in 2008 to commemorate the 60th anniversary of mine strikes in 1948 when 70 Turkish and 1300 Greek Cypriot miners were on strike for more than 4 months. See “DEV-İŞ and PEO give bicommunal concert” (http://www.brtk.cc/print.php?news=40073). See also Pantelis Varnava, “The Common Labour Struggles of Greek and Turkish-Cypriots”, (http://www.peo.org.cy/english/index.php?prod_id=162&subject=standalone).

8The following trade unions have been established: Pancyprian Union of Public Servants (PASIDY), Pancyprian Organisation of Greek Teachers (POED), and Organisation of Greek Secondary Education Teachers (OELMEK). In 1956 the Union of Banking Employees of Cyprus (ETYK) was also registered as a trade union, and till today remains the main representative of workers in the banking sector.
In order to complement industrial relations some remarks on employers’ representatives are useful. Even though the Cyprus Chamber of Commerce and Industry (CCCI) was established in 1927, employer representation with a view to safeguarding rights in the area of industrial relations did not materialise until 1959, with the establishment of the Employers’ Consultative Association of Cyprus. In 1970 this association was renamed the Cyprus Employers’ Federation, and in 1980 it was again renamed the Employers’ and Industrialists’ Federation (OEB). Today both OEB and the CCCI actively participate in industrial relations in Cyprus, representing the interests of their members.

Before the establishment of the Republic of Cyprus, there were no developed procedures or practices for conflict resolution of labour disputes. The non-existence of such practices was mainly due to the insufficient representation of employers’ and workers’ organisations. Due to the above, the disruption of industrial peace was a very common occurrence. Industrial unrest took the form of strikes and picketing. A further noteworthy fact is that this industrial action would very rarely lead to the required outcome, mainly due to the non-existence of clear procedures for collective bargaining and negotiations, whilst in many occasions the negotiations actually took place after the industrial action, and not before.

After the establishment of the Republic of Cyprus, industrial relations developed rapidly, building the foundation for the efficient cooperation of employers with employees. In 1962, the Social Partners signed the so called Basic Agreement – a voluntary agreement – laying out procedures for the settlement of labour disputes. In 1977, the Basic Agreement was succeeded by the “Industrial Relations Code”. This Code was signed by the social partners, and is considered to be a landmark for the development of an efficient industrial relations system in Cyprus. The Industrial Relations Code is a voluntary agreement (one not legally enforceable) that, up to today, lays out the procedures to be followed for the settlement of labour disputes, and the procedures to be followed for arbitration, mediation, and public inquiry in disputes over interests and disputes over rights. Agreement has been reached on four principles: the right to organise, the right to collective bargaining, collective agreements and joint consultation. For more information on this important code see Department of Labour Relations, Industrial

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9 For more information on this important code see Department of Labour Relations, Industrial
collective agreements should be given legal force. This is supported by SEK but opposed by PEO, as it is feared that trade unions’ influence could be reduced. The intercommunal strife on Cyprus had an input on industrial relations and strikes too. Whereas strikes were numerous before 1974 they declined significantly after 1974 (see below).

2. General characteristics of industrial relations

Constitutions in both parts of Cyprus reserve the freedom of assembly and association. Article 21 of the Constitution of the Republic of Cyprus deals with the freedom of association and is in line with relevant ILO regulations. The right of collective bargaining is regulated in article 26, and article 27 deals with the right to strike: “The right to strike is recognised and its exercise may be regulated by law for the purposes only of safeguarding the security of the Republic or the constitutional order or the public order or the public safety or the maintenance of supplies and services essential to the life of the inhabitants or the protection of the rights and liberties guaranteed by this Constitution to any person.” Nothing has been regulated with respect to lock-outs. As far as legal rights are concerned, the situation in the TRNC resembles that of the Republic of Cyprus. Article 53 and 54 of the Constitution are of importance. Emphasis is laid on the protection of people being deprived economically and socially.

Labour legislation which is intended to safeguard employees’ rights has been formulated in the Republic of Cyprus with regards to the provisions of EU labour directives. This can be understood as a good example that Europeanization has an effective input on domestic structures and politics. Due to the still-prevailing division of the island this procedure of Europeanization can be observed in the Southern part

References


11 Members of the armed forces, police and gendarmerie do not have the right to strike. See D. P. Xydis, Constitutions of Nations, Vol. 3, New York 1968, pp. 138-221.

only. A Labour Disputes Court has the function to examine any contraventions against labour legislation. EU citizens working in Cyprus are guaranteed equal terms and conditions of employment in accordance with EU regulation. However, the EU accession of Romania and Bulgaria in 2007 caused some concern among trade unionists in Cyprus, as it was anticipated workers from these two countries would flood the labour market in the Republic. Cyprus was among the few EU countries that did not impose restrictions on the employment of Romanians and Bulgarians. It is interesting to note that the right-wing federation SEK (Cyprus Workers’ Federation) was much more critical on this issue than the left-wing federation PEO (Pancyprian Federation of Labour).  

Turkish Cypriot trade unions are not confronted with challenges of this sort. They are critical on the influx of settlers from the Turkish mainland (see below).

A minimum wage exists only for certain vulnerable groups of workers in the Republic, if they are characterized by weak or non-existent bargaining power (clerks, shop assistants, child care workers, personal care workers). As of 1st April 2008 the minimum wage was 743 Euro per month for newly-recruited employees and 789 Euro for employees with more than six months service. Over the years the ratio of minimum wages to national average wages increased. But to a large extent terms and conditions of employment are determined by the use of collective bargaining and the signing of collective agreements. Whenever disputes arise from the violation of these agreements they cannot be settled in the Labour Disputes Court. Agreements are legally enforceable. Reflecting the same perspective on collective agreements, it must be added that no official extension mechanisms exist. Agreements cannot be declared binding generally, as it is possible e.g. in some cases in Germany. Collective agreements regulate the following items: duration of agreements (usually 2-3 years), adaption of wages to inflation (Cost of Living Allowance, see below), 13th and sometimes 14th salary payment, rates of pay and allowances for overtime and

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13 PEO stressed the relevance of class struggle when its representative accused the employers of utilizing foreign workers for undermining agreed hours and wages. The representative of SEK anticipated a doubling (from 5,000 to 10,000) of the Bulgarians and Romanians already employed in Cyprus. See EU Business, Cyprus unions fear influx of Bulgarian, Romanian workers, 03.01.2007 (http://www.eubusiness.com/news_live/1167746402.08/).


15 The ratio of legislative minimum to national average wages was 34.7 percent in 1984 and 43.9 percent in 2003. See Department of Labour Relations, Statistical information (http://www.mlsi.gov.cy/mlsi/ldr/ldr.nsf/All/FF81FF0254927F0AAC2256EF3003C9E5C/$file/05_Minimum%20Wage%20-%20National%20Average%20Wage%201984-2003.pdf?OpenElement).
shift work, annual leave, weekly hours of work, and provident, medical and welfare funds. As we can see with the funds, medical and aging risks are covered by the employers and employees in their contracts too. It must be understood as a peculiar situation that trade unions are active in this field (see below).

In 1977 an *Industrial Relations Code* was concluded between employers’ associations and trade unions which aimed at regulating conflicts between the two parties. This code must be understood as a gentlemen’s agreement. Different types of conflict resolution (mediation, arbitration and public inquiry) are foreseen in the private and semi-Government sectors. As can be seen in the statistics, labour disputes which have been submitted to mediation peaked in the late 1980s (about 300 per year) and declined continuously towards the end of the 1990s (about 150 per year) before rising once again in the years 2001 (220) and 2003 (215).16 Within the Industrial Relations Code the partners agree to the right to organise and to the principle of free collective bargaining. However they accept that “without prejudice to the employer’s right to take a final decision on issues proper for joint consultation, both sides may, in case of disagreement, ask for the advice and assistance of the Ministry of Labour and Social Insurance”.17

The Cyprus Trade Union Movement has also undertaken certain obligations by signing the Code. For example, when they have to submit demands they are obliged to submit them in writing. They must give sufficient time to the employers for them to study their demands. The trade unions go on strike after all the stages of negotiation and consultation are exhausted and after notice is given. As was noticed by trade unions themselves: “The voluntary acceptance of this practice and of these obligations is indicative of the fact that the Cyprus Trade Union Movement has moved from the spontaneity stage and consolidated itself as a strong and disciplined movement.”18

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16 Flow charts illustrating the process of mediation and arbitration can be found in: Ministry of Labour and Social Insurance, *Industrial Relations in Cyprus* (http://www.mlsi.gov.cy/mlsi/dlr/dlr.nsf/All/ACAB6C856ECE6D86C2256EA0004A2E82/$file/Flowchart%20for%20Disputes%20over%20Interests.pdf?OpenElement).


Since the establishment of the Republic of Cyprus, one of the basic principles of the voluntary industrial relations system is *tripartite cooperation* by utilising social dialogue. The Ministry of Labour and Social Insurance has a large number of tripartite social dialogue bodies functioning under its auspices, dealing with a variety of subjects. These bodies have real responsibilities and authorities, even though their role is advisory. It should be noted that any issue or subject pertaining to work, labour law, employment policy, and any other programmes dealing with the labour market are discussed by the tripartite social dialogue bodies. Furthermore, in the case of examining special issues, these are dealt with in Tripartite Technical Committees of the competent social dialogue body. For example, during the process of harmonizing Cyprus' labour legislation with the EU acquis, the Labour Advisory Board appointed a tripartite technical committee, with instructions to examine the draft legislation in question.

The tripartite technical committees are made up of representatives of the trade unions, and the employers' organisations, and are presided by an officer, or the director of the Department of Labour Relations. The usual procedure followed is the discussion of the draft legislations by article, with each participant organisation expressing and submitting their views and opinions on possible changes or amendments. Furthermore, on the basis of the conflicting interests expressed, whilst keeping in mind Cyprus' obligations for harmonization with the EU acquis, discussions at tripartite technical committees in many cases take the form of "bargaining", with each side trying to ensure to the best effect its members' interests. This "bargaining" is considered to be a positive development, since it is the result of dialogue and consultations undertaken by the social partners. This procedure has the effect of preventatively dealing with possible social unrest, disagreements and misunderstandings, thus essentially safeguarding social cohesion and the continuation of peaceful economic development.

To give an example: PEO is represented in the following committees and boards which have been organised by the Ministry of Labour and Social Insurance: the Labour Advisory Board, the Social Insurance Council, the Annual Holidays' Central Fund Council, the Redundancy Fund Council, the Industrial Training Authority Board, the Productivity Centre Board, the Higher Technical Institute Board, the Pancyprian
Safety Council, the Safety and Health in Mines Council, the Vocational Orientation Council, the Advisory Board for Disabled Persons, the Pancyprian Productivity Council, and the Disabled Persons' Rehabilitation Council. Besides these committees others exist which have been created by various ministries (communication, commerce, interior and others). The tripartite system indicates a strong tendency towards elements of consociational democracy.

Apart from the above, in many cases the social partners have voluntarily reached agreements that have had the result either of increasing terms and conditions of employment, or of improving various labour relations practices. Such examples are the signing of the Industrial Relations Code in 1977, the Agreement between PEO, SEK and OEB on the gradual reduction of working hours, which was signed in 1992, and the signing of the National Plan for Productivity and Health and Safety, signed in 1995. The most recent agreement was the Agreement on the Procedure for the Settlement of Labour Disputes in Essential Services, signed by the Social Partners on the 16th of March 2004.

The Cost of Living Allowance (COLA) was introduced as a protection of workers against inflation, and is perceived by trade unions as one of the most important successes. This achievement was the outcome of hard and persistent struggles dating back to 1944. At the early stages, the cost of living allowance was awarded to the government workers, followed by the workers in the building industry in 1947. The struggle for the extension of the cost of living allowance to the whole of the private sector was intensified towards the end of 1950. The average rate of inflation at the end of 1950 was 5.2%, a rate that was very high for the levels of that time. Until 1960 it can be said that all the collective agreements concluded contained the provision of the COLA. Until 1974 the COLA system was applied smoothly and was awarded to the working people every three months. After the coup d’etat and the Turkish invasion, trade unions accepted a reduction in wages for the restoration of the economy. With economic survival the necessity emerged for the reintroduction of the COLA system. Thus, from 1978, the system again began to operate. Until 1982, COLA was calculated on the basis of scales. If the six-monthly average of the cost of living index had an upward movement of one scale, then the workers were entitled to 3% COLA. If the movement was of two scales then the workers were entitled to 6%
COLA, etc. The existing system of COLA calculation was amended in such a way that the total emoluments of working persons at the end of a six months’ period could be revised on the basis of the percentage increase or reduction of the average consumer’s price index during the six month period in comparison with the index of the immediate previous six months period. In 1999 the increases of excise duties were deducted from the Consumer Price Index. Therefore since then, the increases were not calculated for purposes of COLA. The trade unions were strongly opposed to this decision.\(^\text{19}\)

As in the Southern part of Cyprus, a system of minimum wages and COLA is functional in the Northern part too. Minimum wages are fixed by law. A commission composed in equal parts of the government, unions, and employers decides on minimum wages. These wages are fixed annually and are untaxed. As the Turkish Lira (TL) is the official currency in the TRNC, and as the TL faced an exorbitant rate of inflation in the past, the increase of minimum wages was tremendous: minimum wages were fixed at the amount of 137,000,000 TL in January 2000. In August 2003 they rose to 500,000,000 TL.\(^\text{20}\) Public sector workers are paid a COLA every two months, those in the private sector annually. But as trade unions claim, very often COLA is not paid in the private sector.

3. General characteristics of trade unions

The official unionization rate in the Republic of Cyprus amounts to 55-58 percent of all employees.\(^\text{21}\) In the European comparison Cyprus ranks among the top seven countries with the highest unionization rates. Only the Scandinavian countries (Sweden, Denmark, Finland, Norway) along with Malta and Belgium have higher

\(^{19}\) As PEO calculated, employees lost 10 percent of their basic salaries since 1999. See Pancyprian Federation of Labour, The Development and Structure of the Cyprus Trade Union Movement, pp. 36-37 (http://www.peo.org.cy/attachments/EKDOSIS/ENGLISH/peo%20in%20brief.pdf).

\(^{20}\) See Wages and Prices (http://www.cypnet.co.uk/ncyprus/economy/econ08.htm).

unionization rates than Cyprus has.\textsuperscript{22} Trade unions in Europe have experienced heterogeneous fortunes as far as membership figures are concerned over the decade 1993-2003. 11 out of 26 unions recorded an overall increase in membership and eight an overall decrease. The largest increases were recorded in Luxembourg, Ireland, Malta, Norway and Cyprus. Membership in Cyprus increased by 10.1 percent in total (from 159,000 to 175,000) from 1993 to 2003. Whereas SEK saw an increase of 18.2 percent, PEO’s membership fell by 3.0 percent.\textsuperscript{23}

As mentioned before, it is hard to collect data with respect to the TRNC. If we rely on semi-official figures total employment was 95,025 in 2003.\textsuperscript{24} The combined membership of DEV-İŞ and TÜRK-SEN is given as 4,488, which would result in a unionization rate of 4.7 percent in the TRNC. If the private industry is taken into account exclusively, the European Commission gives the figure of 50 to 60 percent of employees being organised in unions.\textsuperscript{25}

The influence of the British colonial power can be identified even today. As in Britain trade unions in Cyprus exercise the \textit{closed shop} system.\textsuperscript{26} And as legal regulations do not provide for the institution of obligatory representatives in companies (“Betriebsräte” in Germany), trade unions make use of \textit{shop stewards} in Cyprus. Workplace representation is through the unions. Arrangements at workplace level depend on the particular circumstances that apply in each workplace. Shop stewards represent the trade unions on the level of companies without enjoying any privileges given by industrial relations regulations. Employees have no statutory right to be represented at board level in Cyprus.

Contrary to the British model, trade unions in both parts of Cyprus have developed in a competitive situation, as they were founded on different ideological backgrounds. PEO and DEV-İŞ are affiliated with communist ideology, whereas SEK and TÜRK-

\begin{itemize}
\item \textsuperscript{22} See Beneyto, Trade Union Membership in Europe.
\item \textsuperscript{23} See Mark Carley, European Industrial Relations. Observatory online, 21.05.2004 (http://www.eurofound.europa.eu/eiro/2004/03/update/TN0403105U.htm).
\item \textsuperscript{24} See Economic structure – North Cyprus (http://www.cypnet.co.uk/ncyprus/economy/econ07.htm). The TRNC Public Relations Department (Economy (http://www.trncpio.org/index.asp?page=181)) gives the figure of 109,090 for the working population in 2005.
\item \textsuperscript{26} Closed shop means that trade unions do all that they can to exclude from employment employees in companies who do not belong to the dominant union.
\end{itemize}
SEN are more right-wing oriented. However, different ideological backgrounds do not hamper unions from cooperating efficiently. In everyday work, ideological differences today are much less important than they have been in the past. Trade unions with a communist background have accepted the principle of social partnership which is dominant in Cyprus. And these unions are no longer anti-Western or anti-European. Membership in the European Union has been accepted by PEO. And the Turkish DEV-İŞ is clearly of the opinion that the Northern part of Cyprus should become an integral member of the EU too. Terms relating to the “class struggle” can be read in publications but do not characterize trade unions’ practical work. The social climate is rather mild in Cyprus. Whereas in the past trade unions followed the principle of organizing members along professional lines, they prefer to organize all employees in different industries today.

It has been argued that the willingness to strike has been rather limited in Cyprus. When table 1 is taken into account the following becomes evident: As mentioned before the Turkish invasion in 1974 lead to severe economic conditions in Cyprus. Unemployment rose and growth declined, which was contra-productive for strikes. From a long-term perspective the 1970s recorded a relatively low rate of strikes and lockouts, as well as workers involved and days lost. The situation changed in the 1980s. Growth and employment increased and thus the “economic miracle” became evident. Gross national product increased in the period 1980-1999 at an average of 6 percent per year. Income per head rose from 1547 Pounds per year in 1980 to 4483 Pounds per year in 1990. The inflation rate went down from 13.5 percent in 1980 to 4.5 percent in 1990. And unemployment decreased from 3.7 percent (1986) to 1.8 percent in 1990. Strikes and lockouts peaked in the 1980s due to the favourable economic conditions. From 1994 to 2003 the situation resembled very much that of the 1970s. And as far as data are available, there is some evidence that current

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developments could lead to the situation of the 1970s. In 2005 and 2006 workers involved in strikes equalled the numbers of the 1970s or even exceeded them.

Table 1
Strikes and lockouts in the Republic of Cyprus 1998 to 2006

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<td>6479</td>
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<td>6,901</td>
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In the Republic of Cyprus the dominant trade unions are PEO and SEK, and DEOK ranks third, followed by some minor unions. As the roots of PEO go back to communist traditions, this trade union has close relations to the AKEL party (Anorthotiko Komma Ergazmenou Laou, Progressive Party of the Working People). In accordance with this it is not surprising that PEO is a member union of the World Federation of Trade Unions (WFTU). Eight member unions are affiliated with PEO: Cyprus Building, Wood, Mining and General Workers Trade Union (19,100 members), Cyprus Industrial, Commercial, Press-Printing Clothing and Footwear Trade Union (13,200 members), Cyprus Trade Union for Employees in Services (3,650 members), Cyprus Agricultural, Forestry, Transport, Port, Seamen and Allied Occupations Trade Union (8,500 members), Cyprus Hotels and Catering Establishment Employees Trade Union (12,800 members), Cyprus Metal Workers, Mechanics and Electricians Trade Union (5,840 members), Pancyprian Trade Union of Government, Military And Social Institutions Servants (7,300 members), and Semi-government, Municipal and Local Authority Workers and Employees Trade Union (4,250 members). Membership of PEO reflects the structure of the Cypriot economy: construction, manufacturing, and tourism being among those economic sectors that

29 The author’s calculations on the basis of: International Labour Organization, Main Statistics (http://laborsta.ilo.org/cgi-bin/brokerv8.exe).
30 For AKEL see the following internet presentation: http://www.akel.org.cy/English/akel.html:
play a dominant role. Membership of PEO totals 74,640 unionists.\textsuperscript{31} 32.8 percent of these are women and 67.2 percent men.\textsuperscript{32} Trade unions do not only negotiate on better salaries and working conditions in Cyprus, but provide social services to their members, too. Members of PEO enjoy medical treatment by the “Trade Union Health Funds” (ETKA). For the period 1999 to 2003, benefits were offered amounting to 8,333,407 Pounds.\textsuperscript{33} Resthouse facilities, camps and welfare funds are included as well. The same can be said of SEK and DEOK. These unions additionally offer a cooperative bank for its members.\textsuperscript{34}

SEK, as the second important trade union, has friendly relations with the conservative parties DIKO (Dimokratiko Komma, Democratic Party) and DISY (Dimokratikis Synergasmos, Democratic Rally). On the international level SEK is a member of ETUC (European Trade Union Confederation), ICFTU (International Federation of Free Trade Unions), and ITUC (International Trade Union Confederation). The following unions are incorporated in SEK: Federation of Private Sector Workers, Federation of Industrial Workers, Federation of Builders, Miners and Relevant Professions, Federation of Transport, Petroleum and Agriculture Workers, Federation of Government, Military and Civil Services Workers, Federation of Semi-Governmental Associations, and Federation of Hotel Industry Workers.\textsuperscript{35} Latest figures indicate that SEK has 65,000 members, of whom 34.4 percent are registered as women and 65.6 percent as men.\textsuperscript{36}

The fact that DEOK dissociated itself from SEK in 1962 resulted from the perception that SEK followed a “pro-western, nationalist, conservative orientation”.\textsuperscript{37} As the leftist PEO was no alternative for these mainly social democrat-oriented trade unionists, they founded DEOK. When the intercommunal tensions increased by the end of 1963, Turkish Cypriots left DEOK and organized themselves in separate

\textsuperscript{32} Figures dated from 1998, more recent data not available. See Carley, European Industrial Relations.
\textsuperscript{34} See Cyprus Workers Confederation, Services to the members (http://www.sek.org.cy/main.php?l1=22&lang=2&cdoc=98).
\textsuperscript{36} Data for 2003. See Carley, European Industrial Relations.
\textsuperscript{37} As perceived by DEOK. See The Democratic Labour Federation of Cyprus, Historical Background (http://www.deok.org.cy/historyen.htm).
unions. Even today DEOK perceives its own position as being under the pressure of SEK and PEO: “The workers’ movement suffered from a strong political polarization due to the policies and strategic choices of both powerful confederations SEK and PEO. PEO was still strongly attached to the communist party AKEL. On the other hand, SEK was identified with the highly conservative right-wing party, Democratic Rally (DYSY)... In many cases (DEOK) had to struggle against hostile opposition from the two older workers’ Organizations.”38 In the same way as the other unions too, DEOK participates in different tripartite consultative committees. Different services are provided to members: Medical Insurance, Bank Accommodation, Welfare Fund, Legal Services, the newspaper “Solidarity”, a worker’s resort, children’s camping, a department of Working Women, a youth council, and vocational training and education. DEOK today encompasses five “Democratic Employees Unions” (DEE): DEE of Builders and Woodworkers, DEE of Commercial and Industry, DEE of Textile and Leather Industry, DEE of Government Hourly Wagers and Workers in Public Utilities & Services, and Trade Union of Hotel and Tourism Employees – “ALLAGE”. DEOK is a member union of ETUC and ITUC. More than 7,000 unionists are registered, of whom 16.7 percent are women and 64.1 percent are men.39

In the TRNC the most important trade unions are TÜRK-SEN and DEV-İŞ. TÜRK-SEN is centre-right oriented and currently has seven unions.40 Membership totals 2905 unionists in 2008. Among them 1786 women and 1119 men were counted. It is worth noting that more female than male workers joined this union. TÜRK-SEN is a member of ETUC. And astonishingly, TÜRK-SEN is also a member of TÜRK-İŞ (Türkiye İşçi Sendikalari Konfederasyonu, Confederation of Turkish Trade Unions) which has its headquarters in the capital of Turkey, Ankara.41 This indicates the strong links which the union has developed with Turkey. DEV-İŞ is affiliated with the leftist tradition. Four unions are registered, and in 2008 membership totalled 1583 persons, of whom 826 were male and 757 female. DEV-İŞ has no links to Turkish

38 The Democratic Labour Federation of Cyprus, Historical Background (http://www.deok.org.cy/historyen.htm).
39 Data for 2003. See Carley, European Industrial Relations.
40 Data for TÜRK-SEN as well as for DEV-İŞ were gathered by e-mail with the assistance of İlkay Atay-Kösek from the headquarters of the unions in Nicosia.
trade unions. On an international level DEV-İŞ has become member of the World Federation of Trade Unions (WFTU), as is the case with PEO in the Southern part of Cyprus.

As Ebbinghaus and Visser have elaborated, four types of industrial relations can be identified: the Romanic polarisation (France, Italy, Spain), the Anglo-Saxon pluralism (United Kingdom, Ireland), the Nordic corporatism (Sweden, Finland, Denmark), and social partnership (Germany, Austria).\footnote{See Bernhard Ebbinghaus/Jelle Visser, “Der Wandel der Arbeitsbeziehungen im westeuropäischen Vergleich”, in: Stefan Hradil/Stefan Immerfall (ed.), Die westeuropäischen Gesellschaften im Vergleich, Opladen 1997, pp. 333-376; Berhard Ebbinghaus/Jelle Visser, Trade Unions in Western Europe since 1945, London 2000.} Cyprus, however was not included in the authors’ typology. So, it might be challenging to classify the Cypriot trade unions. As the historic development of unions in Cyprus is characterized by the confrontation between the “national” forces and the church on the one hand and the communists on the other, it may be suggested that unions in Cyprus resemble the type of ideologically founded organizations as seen as typical for the Romanic polarization. This can be verified as far as historical tradition is concerned. On the other hand, industrial and inter-union relations today are characterized by social partnership. PEO still orientates itself around “communist” slogans, but does not follow this in practice when the union shows a pragmatic profile. Some elements, such as shop stewards and closed shop, have been taken from the former colonial power Great Britain. This, however, did not lead to a pluralism of unions as was the case in Anglo-Saxon countries. And finally, as it has been stressed with respect to tripartite cooperation between unions, employers and state agencies, industrial relations in Cyprus are embedded in corporatist structures. Cyprus is a model of its own combining and integrating elements of different types.

4. “Europeanization South” and “Europeanization North”

The Republic of Cyprus became a member of the EU in 2004. During the process of negotiating the membership conditions and complying with the acquis communautaire Cypriot legislation had to be harmonized with EU regulations. However, Europeanization of Cyprus legislation cannot be reduced to activities
related to EU membership. Institutions such as the Council of Europe have to be taken into account as well. The European Social Charter, which was originally created in 1961, was signed by the Republic of Cyprus on the 3rd of May 1996, and entered into force on the 1st of November 2000. Trade unions in the Republic of Cyprus could follow the pattern of a deep-rooted process of Europeanization due to the fact that close relations exist to other unions of the ETUC and that the Republic became a member of the EU. This “Europeanization South” offered trade unions much more chances to adapt to EU standards, values, norms and ways of doing things (see above).

Even though the determination of terms and conditions of employment has been based, to a large extent, on the provisions of collective agreements, either at the sectoral or the enterprise level, the need for harmonizing Cypriot legislation with the EU acquis led to a number of terms and conditions of employment being legally enforced. This has not affected in any way the importance and significance of collective agreements, but has assisted in providing minimum terms and conditions of employment for non-unionized employees, but also for employees in companies that have not agreed or signed a collective agreement.43 It should be noted that in the case that specific provisions of collective agreements provide for less favourable terms than those provided for by the new labour laws, these provisions were amended to reach the legislative minimums.

On the other hand, it became of vital interest for the trade unions to intensify cooperation with other national unions in EU member states, international federations and EU institutions. Close relations between Cyprus’ trade unions and European unions and institutions have been elaborated to a higher degree by unions in the Republic of Cyprus, as it is a member state of the EU. SEK in particular was able to strengthen relations with other unions, as it has become a member of the European Trade Union Confederation.44 The relations of SEK with ETUC are at an upgraded level. SEK’s participation in ETUC’s activities has become an inseparable part of daily routine. Bearing in mind the impetus given to the application of the Republic of

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44 For the following see Cyprus Workers Confederation, International Relations (http://www.sek.org.cy/main.php?l1=22&lang=2&cdoc=96).
Cyprus for EU accession, SEK focused on the role ETUC could play in this direction. SEK received support from ETUC's Executive Committee and European Conference, which took place in Brussels in 1995. SEK also utilised its ETUC membership in various committees of the European Union. Upgraded relations have been established by the various departments of SEK with the corresponding departments of ETUC.

ETUC gave special importance to the efforts of SEK and other organisations to cooperate with Turkish Cypriot trade unionists, in the context of the decisions of the All-Cyprus Trade Union Forum. ETUC made representations to Turkish Cypriot leader Rauf Denktash on many occasions, asking him to revoke the restrictive measures obstructing common activities, and requested certain facilities. Apart from these theoretical measures, ETUC appointed a special representative, who personally monitors the efforts of bi-communal cooperation and participates in the meetings of the common coordinating committee. In this way ETUC made efforts towards rapprochement and the creation of circumstances to facilitate communication. And as was mentioned before, ETUC was helpful in assisting Cyprus' European Union accession course. In developing relations with ETUC, SEK also cooperates with other labour movements. SEK participates in the Commonwealth Council of Trade Unions and has had close links with the US American federation AFL-CIO since 1949. The same holds true for relations of SEK with the Greek federation GSEE (Geniki Synomospondia Ergatoypallion Elladas, Greek Federation of Trade Unions).

Like other Greek Cypriot unions, SEK has maintained bridges of cooperation with the Turkish Cypriot trade unions. For SEK TURK-SEN is of special importance, as it is also member of ICFTU and ETUC. Even during difficult times, the unions carried out a dialogue and developed cooperation, mainly on humanitarian issues. SEK, PEO, TURK-SEN and DEV-İŞ established a coordinating committee which prepared the ground for an All-Cyprus Trade Union Forum. The first meeting of this Forum took place in January 1995, with the participation of all Greek Cypriot and Turkish Cypriot trade unions, numbering 16.
As has been described before, PEO is a member of the World Federation of Trade Unions (WFTU). This implies that cooperation with other unions and EU institutions is handicapped to some extent. Different ideologies, however, are not contra-productive when cooperation between unions is on the agenda and when unions have to answer the question of what their position is towards EU integration. In the past PEO has been negative towards Cyprus’ accession to the EU.\textsuperscript{45} That changed, and EU membership has been accepted by PEO, as the following statement indicates: “Europe today may be dominated by forces adhering to neo-liberal and conservative orientations who are interested in promoting the interests of the powerful economic circles, but it does not however divert our attention from the fact that Europe is at the same time a continent embodied with the most glorious traditions of social struggles and workers’ gains and which has the greatest democratic tradition. Looking at it in this way new opportunities for new gains are opening up, especially in areas where the movement of the working people in the countries of the European Union has attained more advanced social and labour rights.”\textsuperscript{46}

PEO has made it clear that EU membership and the solution of the Cyprus problem are interlinked challenges. On the 24\textsuperscript{th} of April 2004 separate referenda were held on the “Annan Plan 5” in both parts of the island. Although the Greek Cypriot Community rejected it by a vote of 75.8 percent against 24.2 percent in favour, the Turkish Cypriot Community accepted it by a vote of 64.9 percent in favour and 35.1 percent against. Given these facts PEO declared that the solution of the Cyprus problem should be managed as follows: “PEO regards that we find ourselves in an exceptionally important period for the future of Cyprus, particularly after the rejection of the solution plan proposed by the U.N. General Secretary Mr. C. Annan and the accession of Cyprus to the European Union. We appreciate that the overwhelming majority of the Greek Cypriots and the Turkish Cypriots continue to desire a quick solution based on a bizonal and bicomunal Federation – having in mind the lawful and justifiable sensibilities of the people in the two communities, both our political leadership and the international factor, mainly the U.N. Organization, ought to work towards the direction of developing a climate of good will and faith, meeting our worries and creating the preconditions so that we have resumption of negotiations.

\textsuperscript{45} See Axt/Cavit/Demetriou, Gewerkschaften und Verbände, p. 867.
leading to a mutually accepted solution the soonest possible. As a basis for the efforts of the solution there remains the Annan Plan, which with the relevant and necessary changes can constitute the final settlement.”

Contrary to the “national camp” among Greek Cypriots lead by former President Tassos Papadopoulos, PEO is still in favour of the principles of the Annan Plan – a position which is favoured by Turkish Cypriots too.

Among the Turkish Cypriot trade unions, TÜRK-SEN has become member of the European Trade Union Confederation (ETUC), which makes it easier to cooperate with unions and institutions of the EU. The same cannot be said of DEV-İŞ, which has associated with the World Federation of Trade Unions (WTUC). As the Northern part of Cyprus is – seen from an EU perspective – in legal terms part of the Republic of Cyprus, but does not belong to the area of application of the acquis communautaire, Turkish Cypriot trade unions are somehow isolated and are not included in the network of inter-union relations within the EU. Therefore it is of vital interest for these unions to come to a solution of the Cyprus problem and to improve not only the chances of international cooperation but of better living conditions through EU membership as well. It must be remembered that the North of Cyprus is less prosperous than the South. Turkish Cypriots’ standard of living has been roughly a third that of Greek Cypriots in the past. After the “Green Line”, which separates Greek and Turkish Cypriots from each other, was opened by the Turkish Cypriot leadership in 2003, the standard of living has improved in the North. Current figures indicate that gross domestic product per head in the North is half the value of that in the South. As far as surveys indicate, Turkish Cypriots favoured the Annan Plan for two reasons: it promised EU membership for the people in the North as well, and thus a better way of living. Europeanization seen from a Turkish Cypriot point of view implies giving priority to the solution of the political problem in Cyprus.

49 GDP per head amounted to 10,500 Dollars in the North in 2005, whereas the figure was 21,500 Dollars in the South. See USAID (http://www.usaid.gov/locations/europe_eurasia/countries/cy/cyprus.pdf).
50 See Alexandros Lordos, Rational Agent or Unthinking Follower? A survey-based profile analysis of Greek Cypriot and Turkish Cypriot referendum voters (http://www.cypruspolls.org/RationalOrUnthinking.pdf).
That the initiatives of UN General Secretary Kofi Annan to overcome the stalemate in Cyprus was regarded highly in the North of Cyprus became evident when people crowded on the streets. 60,000 people (nearly a third of the whole population) joined a demonstration headed by the slogan “This Land is Ours” and expressed their preference for Annan’s initiative and for the prospect of letting the whole of Cyprus become a member of the EU.\(^{51}\)

In August 2002 86 Turkish Cypriot associations with more than 38,000 members appeared before the public and signed the statement “Common Vision”. It started as follows: “We support the direct talks aimed at finding a political settlement in Cyprus and the European Union membership of the new Partnership State that will be formed with the solution… In order to solve our problems, we need a solution to the Cyprus problem and EU membership… ‘Solution and European Union membership’ in Cyprus will eliminate one of the most difficult problems in front of Turkey’s EU membership, which is the most important project of the people of Turkey after the War of Independence.”\(^{52}\) This declaration of high importance was signed by employers’ associations, chambers of commerce, peace movements, other non-governmental organizations and of more than 30 trade unions. TÜRK-SEN and DEV-İŞ were among these unions.\(^{53}\) “Europeanization North” is the answer of the civil society in the TRNC to overcome the international isolation and improve the standards of living.

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\(^{52}\) See The Common Vision of the Turkish Civil Society (http://www.dzforum.de/0501001.php, Stand 19.02.2008).

\(^{53}\) For more information on the situation in Cyprus as far as the past and the prospects of initiatives to solve the political problem are concerned see: Axt, Heinz-Jürgen/Schwarz, Oliver/Wiegand, Simon, Konfliktbeilegung durch Europäisierung? Zyperrfrage, Ägäiskonflikt und griechisch-mazedonischer Namensstreit, Baden-Baden 2008 pp. 65-164.
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