

Viktor Orbán Prime Minister Government of Hungary

Letter sent by e-mail: <u>miniszterelnok@mk.gov.hu;</u> cc: <u>mk@mk.gov.hu;</u>

Mr. Prime Minister, dear Viktor,

First of all I would like to take this opportunity to wish you a happy and successful New Year. I am writing to you to express the concerns of the ETUC regarding the adoption by the Hungarian Parliament on 12 December 2018 of the CXVI/2018 Act on the amendment of certain laws related to the organization of working time and the minimum hourly rates for temporary agency work.

Our Hungarian colleagues call it the "Slave Law", as the changes in the Labour Code significantly worsen the workers' position, violate the right to rest and to healthy life, and endanger the "sacrament of family life", so often mentioned by your government.

May I draw your attention to the experience based on longtime practices, and to the broadly recognised legal principle, that employers and workers are not on an equal standing, and it is often practically impossible for an individual worker to say "no" to a request of the boss.

Additionally, the potential postponement of the payment up to three years makes the conditions of workers even worse.

This bill could lead to an infringement to the EU Working Time Directive and create a dangerous precedent for working conditions at EU level.

The bill has been presented in the media as a "gift" for German based automotive sector multinational companies to invest in Hungary. This is maybe a misinterpretation of the purpose of the bill, but in any case I would like to recall what we already had the opportunity to discuss in the past: cheap labour and social dumping are not the best ways to attract investment, since in the medium term they generate a brain drain and shortages in the qualified work force, which cannot be fixed through overtime work.

All the most successful economies and labour markets show that the essential factors for investment and sustainable growth are better skills and higher wages.

I appreciate your statement of paying "attention to everyone, especially to trade unions, respect the freedom of opinion, and always consider the arguments that have been raised", and I'm very grateful for the cooperation we have established with you and your government to improve and reinforce social dialogue in Hungary.

However, this law was adopted without any consultation with the social partners in the framework of the social dialogue institutions. Informal consultations with representatives of some of the trade union confederations by individual Parliament members might be useful but are in no way a substitute for the structured social dialogue to which you and your Government have committed.

Our Hungarian affiliates stand open for negotiations, ready to engage in meaningful and real dialogue. They demand for the bill to be withdrawn and for negotiations to be opened, on issues as: overtime regulations, increase of minimum wages and reinstalment of fringe benefits,

regulation of the right to strike, reinforcement of social dialogue institutions, and more flexible retirement schemes.

I would like to reassure you that the ETUC and I are ready to help and support such process of negotiations, so please don't hesitate to let us know if anything is required from our side to facilitate the dialogue.

Yours sincerely

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Luca Visentini ETUC General Secretary