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CASE STUDY

- *1,000 employees working in newspaper-delivery and 200 employees working in newspaper-processing are transferred from Magyar Posta Zrt. (Hungarian Post Ltd.) to company MediaLOG Fiege Zrt. as of 1st January 2007, observing relevant provisions of Labor Code, by employer's succession.*
- *There are 200 members of our Union among transferred employees.*

What's the reason for the change?



- *Early in 2006 three big newspaper publishing companies announce that they will NOT charge Hungarian Post with delivery of daily and weekly papers from 2007*
- *Three publishing companies (Népszabadság Zrt., RINGIER Kiadó Kft., Sanoma Budapest Zrt.) and a German logistics company, the F-LOG AG establish company MediaLOG Fiege Zrt*
- *The new company carries on negotiations with the Hungarian Post on taking over of subscribers' list on the one hand and newspaper delivery and processing staff on the other, at the same time informing Trade Union*



Details of the agreement

- *Both companies agree on details in September 2006*
- *Main points laid down in agreement – referring to provisions of Labor Code – are as follows:*
 - > *workers transferred from the Post should be employed for one year under the same conditions as they were at the Post;*
 - > *wage of employees must not be reduced;*
 - > *collective agreement of Hungarian Post is valid at the new employer for one year;*

Details of the agreement (cont.)



- > also optional benefits over wages of 130,000 HUF/year (incl. contribution to pension fund, support for health fund, monthly meal voucher etc.) are due to the employees;*
- > employees working in newspaper-delivery should be furnished with bicycle, work-clothing, raincoat;*
- > employees working in newspaper-processing should be provided with suitable protective clothing*

WHAT HAPPENED AT THE NEW COMPANY FROM JANUARY 2007?



- *From one month to another, wage of a number of our members is reduced by more than 20-30 percent, with unchanged monthly working time.*
- *Collective agreement is considered as valid and effective by the company for those workers only transferred from the Hungarian Post. Regarding newly hired employees is it considered not as binding.*
- *Company also indicates its intention to maintain collective agreement just by the term prescribed by law.*



What was done by the Postal Trade Union?"

- *We proposed negotiations with Director General of the company in December 2006 – we haven't got any answer.*
- *After repeated solicitations two meetings took place with two members of management. They asked for our patience and understanding.*

WHAT HAPPENED DURING 2007-2008?



- *A personal change took place in position of Director General in March 2007. The new Director General – after our several requests – appeared in meeting of our governing body and listened to raised serious problems. He assured us of his understanding and asked for further patience. He made it clear that company's management would not intend to increase wages in 2007.*
- *2007 was closed with a considerable loss for the company. A restructuring took place in ownership. A new Director General was appointed. The German partner MediaLOG Fiege AG leaves partnership and the name of company changes into MediaLog Zrt.*



ACHIEVEMENTS IN 2007-2008

- *Elections for works council took place at the company in 2007. Candidates of Postal Trade Union have been elected.*
- *Negotiations on collective agreement started; it was signed in 2008.*



Thank you
for your
attention!

