

# Changes in the Cafeteria system

The firm position of the National Confederation of Workers' Councils is that the planned changes should not result in any wage decrease of workers and employees.

According to the draft tax laws of 2019, the government would like to simplify the cafeteria system in a way that employers shall pay a 19,5% social contribution tax on all allowances while employees – similarly to the present situation – shall not pay contributions.

Trade unions have demanded the maintenance of the school start allowance scheme, the housing support paid by the employer and tax allowances for company restaurants.

In addition, trade unions have also recommended the maintenance of tax allowances on employer's support to student loan repayment, mobility housing support and employer's contribution to self-care. Employers call for further negotiations with the government and failing these, they will consider actions to exert pressure.

The National Confederation of Workers' Councils agrees with the maintenance of these cafeteria elements but is on the opinion that it would be unfortunate to provide for these elements within the framework of wage agreements. In this case, there would be a risk that the level of wage increases could be lower in order to maintain the cafeteria elements, although the primary objective of trade unions is to achieve the increase of wages rather than that of other allowances. Wages are included in the pension and health care fund while cafeteria elements are not. The main objective of trade unions is to prevent the net income loss of workers and employees.