COUR EUROPÉENNE DES DROITS DE L'HOMME
EUROPEAN COURT OF HUMAN RIGHTS

FIRST SECTION

CASE OF SIGLFIRÐINGUR EHF v. ICELAND

(Application no. 34142/96)

JUDGMENT

STRASBOURG

30 May 2000

In the case of *SIGLFIRÐINGUR EHF* v. Iceland,

The European Court of Human Rights (First Section), sitting as a Chamber composed of:

Mrs E. PALM, *President*,
Mrs W. THOMASSEN,
Mr Gaukur JÖRUNDSSON,
Mr R. TÜRMEN,
Mr C. BÎRSAN,
Mr J. CASADEVALL,
Mr R. MARUSTE, *judges*,
and Mr M. O'BOYLE, *Section Registrar*,

Having deliberated in private on 23 May 2000,

Delivers the following judgment, which was adopted on that date:

PROCEDURE

1. The case originated in an application (no. 34142/96) against Iceland lodged with the European Commission of Human Rights ("the Commission") under former Article 25 of the Convention for the Protection of Human Rights and Fundamental Freedoms ("the Convention") by an Icelandic company, *Siglfirðingur ehf* ("the applicant company"), on 3 December 1996.

2. The applicant company was represented by Mr Johannes B. Björnsson, a lawyer practising in Reykjavík, Iceland. The Icelandic Government ("the Government") were represented by their Agent, Ms Björg Thorarensen, Director at the Ministry of Justice and Ecclesiastical Affairs.

3. The applicant company complained, firstly, under Article 6 § 1 of the Convention that it did not receive a fair hearing by an independent and impartial tribunal before the Labour Court. Secondly, it complained that, since it had not been able to obtain a review by a superior court of a fine imposed by the Labour Court, there had also been a violation of Article 2 § 1 of Protocol No. 7 to the Convention. On 21 October 1998 the Court (First Section) decided to give notice of the second complaint to the Government and invited them to submit their observations on its admissibility and merits. The Government submitted their observations on 4 January 1999, to which the applicant company replied on 25 February 1999.

4. On 7 September 1999 the Court declared the complaint under Article 2 § 1 of Protocol No. 7 admissible and declared the remainder of the application inadmissible.

5. On 23 March 2000, after an exchange of correspondence, the Section Registrar suggested to the parties that they should attempt to reach a friendly settlement within the meaning of Article 38 § 1 (b) of the Convention. At a meeting with the Section Registrar on 12 May 2000 the applicant company's representative and the Agent of the Government agreed to reach a friendly settlement and submitted a joint formal declaration setting out the terms.

THE FACTS

6. The applicant company was operating Icelandic fishing vessels, which were registered in Siglufjörður. One of its fishing vessels, a trawler named *Siglir* SI-250, was exclusively used for fishing outside Icelandic territorial fishing limits. The terms of employment of the crew on board *Siglir* were governed by a particular agreement between them and the applicant company. The applicant company generally paid wages in accordance with the collective agreements concluded between the Federation of Icelandic Fishing Vessel Owners (FIFVO) and the Icelandic Sailors' Federation (ISF). However, the operation of the *Siglir* fell outside the applicant company's membership of the FIFVO. Therefore, the collective agreements between the FIFVO and the ISF did not apply.

7. On 3 May 1995 the ISF notified the FIFVO of its decision to strike in order to press for the conclusion of a new collective agreement. The strike lasted from 24 May until 15 June 1995.

8. While the sailors were striking, the applicant company decided to send its ship to sea on 2 June 1995 and ordered the crew to report on board. Four of the crew members refused to go out with the vessel, as they considered themselves to be on strike. Their employment was terminated and other crew members were engaged in their place.

9. For this reason the Icelandic Federation of Labour (IFL) took legal action against the applicant company before the Labour Court.

10. By judgment delivered of 10 June 1996 the Labour Court found that the applicant company had violated Sections 4 and 18 of the Labour Relations Act and ordered it to pay ISK 500,000 in fine to the State Treasury and ISK 100,000 in legal costs to the IFL.

11. It appears that pursuant to Section 67 of the Labour Relations Act there existed no possibility of challenging this decision by applying to the Supreme Court.

THE LAW

12. On 12 May 2000 the Court received the following declaration from the Government and from the applicant company's representative:

> "The Government of Iceland and *Siglfirðingur* Ltd. have reached the following agreement in full and final settlement of the applicant's claim.
>
> 1. That the Icelandic Government would pay *Siglfirðingur* Ltd., on an *ex gratia* basis, a global sum of ISK 1.600.000.-, covering both legal costs and loss of opportunity.
>
> 2. That *Siglfirðingur* Ltd. undertakes, following payment of the stated amount and without being entitled to damages or other payments from the Icelandic State Treasury, to withdraw its application to the European Court of Human Rights and not to take legal action against the Republic of Iceland on account of the above matter before the courts of Iceland or international tribunals.
>
> 3. The above settlement is without prejudice to the question of liability under the Convention.
>
> 4. Amendments of the contested provisions of the Labour Relations Act No. 80/1938 have been prepared. A new Bill amending the Act, which provides for the possibility to have decisions of the Labour Court concerning fines reviewed by the Supreme Court has already been approved by the Government and has been presented to the *Althing*. The Bill is expected to be adopted by the *Althing* next autumn.
>
> 5. We further undertake not to request the reference of the case to the Grand Chamber under Article 43 (1) of the Convention after the delivery of the Court's judgment."

13. The Court takes note of the agreement reached between the parties (Article 39 of the Convention). It is satisfied that the settlement is based on respect for human rights as defined in the Convention or its Protocols (Article 37 § 1 *in fine* of the Convention and Rule 62 § 3 of the Rules of Court).

14. Accordingly, the case should be struck out of the list.

FOR THESE REASONS, THE COURT UNANIMOUSLY

1. *Decides* to strike the case out of the list;

2. *Takes note* of the parties' undertaking not to request a rehearing of the case before the Grand Chamber.

Done in English, and notified in writing on 30 May 2000, pursuant to Rule 77 §§ 2 and 3 of the Rules of Court.

Michael O'BOYLE
Registrar

Elisabeth PALM
President