

**I**n 1996, the Commission launched a process of broad consultation on the future of the social dialogue at European level. More than 80 detailed contributions from the social partners and public administrations were received and discussed at a forum at the Hague in April 1997. The social dialogue at European level has undergone some extremely significant developments in recent years. Given the progress that has been made in European integration, especially in the economic and monetary sphere, and the successful co-ordination that is being established as regards employment, the social partners have a crucial role to play. The Treaty provides the means for a renewed commitment of the social partners to modernise and strengthen the social dimension of Europe. Two agreements have recently been signed at European level and implemented by directives under the procedures laid down in the Treaty of the European Union. In this context, the social dialogue must be enabled to play its role fully, by being the means through which the social partners can express their views in consultative forums, and through the development of a contractual dimension in their areas of responsibility, given the new challenges which face us - employment, the enlargement of the European Union and the single currency. The Commission's objective in adapting and modernising the means used is to encourage further advance by strengthening the effectiveness of the various forums, opening up access to the dialogue and encouraging new qualitative developments.

Padraig Flynn

## The Event

### A new impetus

*On 20 May 1998, the European Commission adopted its new Communication "Adapting and promoting the social dialogue at Community level" (COM(98)322). The "Newsletter" devotes a special report to highlighting the document's principal points, while in his editorial Commissioner Flynn welcomes the successful outcome of the consultation which preceded the Communication.*

#### 1. A more open social dialogue

The Commission will be increasing its information action aimed at all the social partners. This will involve stronger mechanisms for the transverse exchange of information (Liaison Forums) and increased use of new technologies (ESDO). These new tools will make it easier for European organisations to inform and consult their national affiliates. The Social Dialogue Newsletter is itself part of this overall information policy. Published

seven times a year, in 11 languages, and with a circulation of 10,000, it aims to keep the social partners at all levels informed of major developments.

At the same time, the Commission will make a special effort to promote the national dissemination of the results of the European social dialogue and to better involve the national actors.

#### 2. A more effective social dialogue

##### a) Consultation with the social partners

###### *Consultation on specific issues*

Based on highly institutionalised bodies, consultation initially concentrated on a number of specific fields which are the subject of Community action. Six inter-professional advisory committees were set up as part of this approach.

These helped provide better information on the national situations and improved the implementation of Community policies. They proved their usefulness at a time when they were the social partners' only forum for expression and still have an important role to play, even if the forms of consultation available are now much wider and more diverse.

The Commission proposes to merge the committees linked to mobility and, where necessary, to adapt the other committees on a case-by-case basis.

###### *Consultations on Community initiatives in the field of social policy*

The implementation of the action programme linked to the Charter of the Fundamental Social Rights of Workers was the opportunity for the Commission to introduce, on an informal basis, a policy of systematic consultation with the social partners when preparing action proposals. This consultation covered all the Commission's social initiatives, both legislative and otherwise.

The entry into force of the Treaty on European Union and the Social Protocol served to institutionalise this practice. The

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Commission would like to extend and systematise its upstream consultations on subjects related to social policy (excluding Article 2), using for this purpose the Liaison Forum which was introduced last year.

#### Consultations and joint action on sectoral matters

At the same time as setting up the above mechanisms, the Commission has progressively introduced a number of sectoral bodies for social dialogue. These structures have a twofold function: a monitoring role expressed through messages sent to the Commission or Council, and a role in permitting exchange and autonomous dialogue between the social partners.

Nearly 30 sectors have developed dialogue at Community level within joint committees or informal working parties. Although unequally represented within Community social dialogue, the sectors now have great potential for developing the dialogue at Community level.

In 1997, agriculture took a qualitative step forward which is essential for European social dialogue. For the very first time a voluntary agreement signed at European level specifies the essential elements of the employer-employee relationship.

The Commission has decided to replace the existing sectoral structures with new **Sectoral Dialogue Committees** which will make it possible to involve the social partners more closely in Community actions with a sectoral content and to offer balanced support to all sectors seeking to make a genuine commitment to a social dialogue approach.

This will enable the Commission to provide a balanced response to the development of sectoral dialogues and to put political commitment and flexibility of action before administrative procedures. The plenary meetings will serve to give political approval to the social partners' initiatives.

#### b) Concertation between the public authorities and the social partners

As early as the late 1960s, the Council decided it would be useful to create a forum for dialogue with the social partners at European level. The Standing Committee on Employment, set up in 1970, has played this key role for almost 30 years.

Over the years, the Committee meetings have covered a very wide range of employment-related subjects, such as the workings of the labour market, work reorganisation, youth employment, technological change, long-term unemployment, women's employment, immigration and continuing vocational training. Yet despite the number and interest of the subjects covered, these meetings have not succeeded in creating a real system of consultation.

Alongside the Standing Committee on Employment, new forums for dialogue between the Council and the social partners have recently developed. Since 1992, the Employment and Social Affairs Council has regularly invited the European secretariats of UNICE,

CEEP, and the ETUC to take part in an introductory debate. The conclusions of the European Employment Council in Luxembourg also recommend a twice-yearly meeting with the Troika of heads of state and government. This politically highly significant burgeoning of forums for dialogue has brought the need for greater coherence.

The Commission proposes to rationalise the meetings between the Council, the Commission and the social partners and to co-ordinate

them better. It proposes a technical meeting (with the Employment and Labour Market Committee) and a political meeting (with the Troika of heads of state and government or with the Council) under each presidency.

The composition of the Standing Committee on Employment will be reviewed so that it concentrates on European organisations covering the main areas of the economy (UNICE, CEEP, UEAPME, COPA, Eurocommerce) along with the ETUC and CEC.

### 3. The development of a real collective bargaining area at European level

An active dialogue between management and labour leading to shared goals and practical commitments is the *raison d'être* of the social dialogue. This presupposes that the social partners at European level have real support from their members. These must give them a mandate to negotiate agreements at European level, make a commitment to follow them up, and provide them with adequate resources and structures to carry out their role.

Once the Amsterdam Treaty enters into force, legislative proposals on social policy will be addressed to all Member States and be subject to a two-stage consultation process, which the Commission can suspend if the social partners announce their intention to open negotiations. This gives the social partners at European level greater opportunities and responsibilities in the shaping of social policy.

Furthermore, in the context of the new employment strategy, the European social partners, at both cross-industry and sectoral levels, have been given the opportunity to take a leading role in the necessary modernisation of the labour market. The European Council has strongly encouraged the social partners to take initiatives at all levels, in particular regarding adaptability and employability, so as to:

- promote the modernisation of work organisation and working patterns, particularly in economic sectors undergoing structural change, by negotiating at the appropriate levels agreements on work organisation, including working time and flexible working

arrangements, with the aim of making enterprises productive and competitive, while keeping the necessary balance between flexibility and security;

- develop the social dimension of the process of industrial restructuring, especially in the context of worker information and consultation;
- open workplaces across Europe to training, apprenticeships, traineeships and other employability measures; and
- promote equal opportunities between women and men.

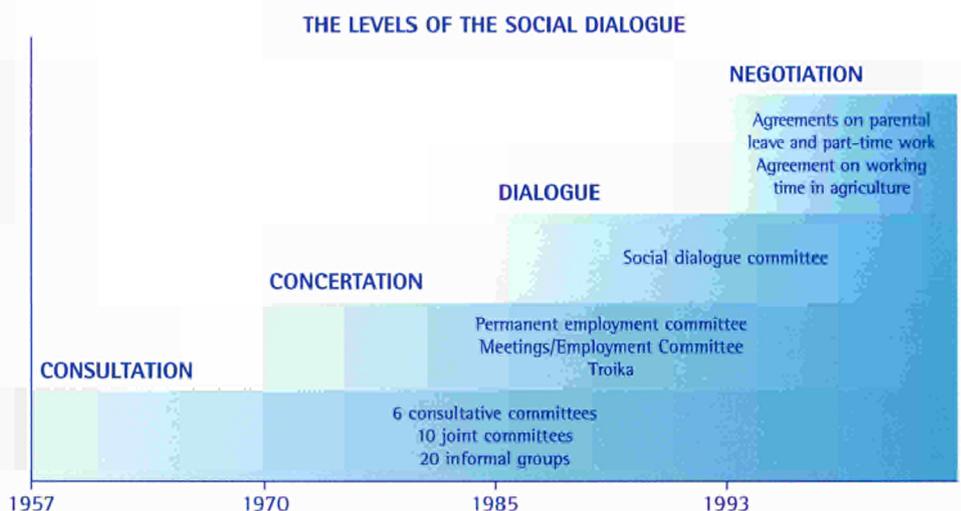
#### a) Inter-professional level

The cross-industry dialogue has secured a strategic place in the development of social policy: the social partners have created an important locus for dialogue and interaction. The most active dialogue at cross-industry level has in recent years taken place within the Social Dialogue Committee where the three cross-industry organisations with a general role, UNICE, CEEP and the ETUC, conduct their autonomous dialogue.

The Commission will continue to support the cross-industry social dialogue, so that can build upon these achievements.

#### b) Sectoral level

The development of negotiations at sectoral level is a key issue. The sectoral dialogue is an



effective level at which to discuss employment, work organisation and the improvement of working conditions, as it is closest to the ground and best able to anticipate change. However, its potential as an arena for negotiation and joint action is by no means used to the full. The Framework Agreement on the Improvement of Paid Employment in Agriculture in the Member States of the European Union is a good example of what can be done when the most is made of that potential.

The new sectoral dialogue committees should result in flexible ways of working which will enable the social partners, if they so wish, to initiate joint action or negotiate voluntary agreements on the key issues in the sectors.

### c) Negotiations in the framework of the Agreement on Social Policy

The Commission will continue to give strong support to the initiation of negotiations under this procedure, and points out that both the inter-professional and sectoral social partners are encouraged to take on their responsibilities in this respect.

Up till now there have been two requests from the social partners for the implementation of agreements through Community legislation: for the European framework agreements on parental leave and part-time work. The Directive implementing the parental leave agreement was adopted by the Council on 3 June 1996 and that implementing the part-time work agreement on 15 December 1997. Before any legislative proposal implementing an agreement is presented to the Council, the Commission carries out an assessment involving consideration of the representativeness of the contracting parties, their mandate, and the legality of each clause in the collective agreement under Community law, as well as the provisions regarding small and medium sized enterprises. One European social partner organisation, UEAPME, has challenged the legality of the Directives adopted under this process. The judgement in the first of these cases was delivered by the Court of First Instance on 17 June 1998. The Tribunal dismissed UEAPME's challenge and fully confirmed the approach taken by the Commission to the application of the Agreement on Social Policy, which emphasises the need to respect the autonomy of the social partners and the sufficient representativeness of the signatory parties.

## Conclusion

This new Communication is built upon the main principles already confirmed by the European institutions and the social partners: a voluntary dialogue, built upon the autonomy of the social partners, between organisations mandated at European level, which leads to shared commitments on major issues, and particularly on employment and working conditions.

# Transport: a possible end to exclusions

*This new step is important and represents considerable progress for sectoral social dialogue: on 24 March last, the social partners in the maritime sector concluded a European agreement on working time. Progress is also being made in reaching the same kind of agreement for the road transport sector.*

The Directive on working time (93/104/EC) excludes, among others, all the transport sectors from its field of application. The European Commission therefore decided to start a second round of negotiations with the social partners, so as to see how to adapt the Directive in order to take account of the specific situation of excluded sectors. An agreement reached in the maritime sector limits the maximum number of working hours to 14 within any 24-hour period and to 72 hours for any seven-day period. Rest periods are also set at a minimum of 10

hours per 24 hours and 77 hours per six-day period.

The social partners can now ask the Commission to transmit their agreement to the Council according to the procedure laid down in the Agreement on social policy. On 2 July last, it was the turn of the road transport sector (International Road Transport Union and Federation of Transport Workers) to reach a European agreement on a joint text on working time. However, the national members of the two European organisations must still be consulted on the text.

## Sectoral

### Commerce

■ *EuroCommerce and Euro-Fiet have agreed to hold a series of round-table meetings in the Central and Eastern European countries. The first was held in Tallin, Estonia, on 29 May 1998.*

The aim of this round-table meeting was to inform the Association of Estonian Trade Unions, the Estonian Union of Service and Commerce Workers and the Estonian Society of Shopkeepers about the European social dialogue as it has existed for the past 15 years in the EU's commerce sector, the EU's social dimension, the role of Euro-Fiet and Euro-Commerce, and industrial relations in general in the Member States.

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### Footwear

■ *At the footwear social dialogue meeting on 18 March, the social partners decided to expand the SHOEDATA project.*

SHOEDATA was launched in 1993 by the social partners, with the support of DG V. This pilot project involves creating a database of collective agreements concluded in the footwear sector. At the 18 March meeting it was agreed to update the database and make access to it easier. SHOEDATA will also be expanded to include the European Union's three most recent members and the CEECs. The textile and clothing sector is also interested in this idea.

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## The graphic industry

■ *The European Graphical Federation held a conference on 27 and 28 April in Bedford (United Kingdom) on "Prospects for vocational training in the graphic sector".*

The debates concerned the effects of multimedia on the printing industry and their consequences for industrial relations, new qualifications, the role of training and continuing training in union strategy and the role of the social partners in training in general.

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## Multisectoral

### Work organisation

■ *Britain's Department of Trade and Industry, with the support of the European Commission, held a conference on work organisation in Glasgow on 28-30 April.*

The aim of the conference, which was attended by many European and national social partners, was to conclude the debate on the Commission's Green Paper on work organisation and to progress to a new stage of action. It concentrated, by means of a discussion on a large number of case studies, on three major factors in achieving a more flexible and modern work organisation: the removal of barriers, partnership structures, and adaptability and employability.

The conference also stressed the crucial role which the social partners must play in this process.

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## Open Forum

Thérèse de LIEDEKERKE,  
UNICE Director of Social Affairs



*This newsletter also aims to promote a Europe-wide exchange of ideas between the social partners, which is the philosophy behind our "Open Forum" feature. After Bernadette Tesch-Segol of Euro-FIET (see issue 4), we now hand you over to Thérèse de Liedekerke, Director of Social Affairs with UNICE.*

# A social policy promoting growth and employment

Since it was created in 1958, UNICE has been a strong and active supporter of European integration. By treaty, the European Union has set itself the objective of promoting balanced and sustainable economic and social progress.

Companies have a primary role to play in this respect. By ensuring that the goods and services they produce are the ones that both domestic and world markets want and are willing to pay for, they can create the wealth and jobs without which there can be no lasting social progress.

Their capacity to do so greatly depends on the ability to create the conditions that will allow enterprises to operate efficiently. UNICE's role is to help European decision makers to do so by alerting them to companies' needs and helping them to define the right policies to meet them.

All EU and national policies are relevant for the promotion of economic and social progress but, because of its consequences on the functioning of national labour markets, and on their capacity to convert economic growth into employment; European social policy is of particular importance. On the eve of the 21st century, it is essential to ensure that European social policy better responds to:

- the new world of work, which is emerging against the background of new sources of compe-

tion, technological change, globalisation of markets, growing diversification of consumer demands and individualisation of lifestyles, and which require companies to adapt swiftly to constant changes,

- demographic trends, which make it necessary to restructure social protection systems fundamentally,
- the opportunities and challenges stemming from completion of the Single Market, creation of Economic and Monetary Union, and enlargement of the European Union.

All these developments make it crucial to improve labour market flexibility. The success of the European Union will depend on its capacity to do so.

Dialogue between trade unions and employers' representatives at European level on the one hand, and concertation between social partners and public authorities on the other hand, allow us to identify the problems to be solved, and to build consensus on the solutions to be applied in the interest of society as a whole. The challenge is to be able to develop a European social dialogue while respecting the principle of subsidiarity. UNICE is determined to play its role fully in this process, in particular by negotiating framework agreements with the ETUC whenever it believes that there are good prospects of finding mutually acceptable solutions.

## Cross-sectoral

### Employment is on the right track

■ *On 13 May the Commission adopted a Communication "From Guidelines to Action: The National Action Plans for Employment." This Communication provided a basis for the discussions at the Cardiff European Summit.*

This document is an inherent part of what has come to be known as "the Luxembourg process" and in which a number of stages may be identified: the special European Jobs Summit in Luxembourg in November 1997, the adoption by the Council on 15 December 1997 of the first Employment Guidelines for 1998, and the submission of the National Action Plans to the Commission by the Member States on 15 April 1998.

This Communication aims to examine the undertakings made by the Member States in

their National Action Plan and to consider whether they are in line with the content and objectives of the 1998 Employment Guidelines. The Commission believes that the National Action Plans (NAPs) are a positive response which offer encouragement in terms of process and content. But they are also lacking in some respects, in particular to the extent that they are essentially concerned with the first two guidelines ("employability" and "entrepreneurship").

■ *At the meeting of the Social Dialogue Committee of 18 May 1998, a debate took place with the social partners on the subject of this Communication.*

The social partners pointed out the lack of any link between employment policy and macro-economic policy, the problem of interaction between preventive and curative policies on unemployment, and deficiencies in the area of quantification.

For their part, the European Commission rep-

resentatives stressed the need for the social partners to make an independent and committed contribution to employment strategy, and in particular appealed to them to commit themselves to the "adaptability" aspect of policy. This requires a general approach covering the modernisation of the legislative framework, the updating of collective agreements and collective bargaining, new forms of work organisation and the management of working time.

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## European Social Dialogue

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