

ETUC assessment of the European Commission Work Programme 2016

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This paper provides an ETUC assessment of the European Commission's (EC) Work Programme 2016 (WP) *No Time for Business as Usual*.

The WP underlines that the EC has given priority to the legislative changes, which could have a direct impact on jobs and growth, on our environment and social well-being. The ETUC demands that Social Partners should be regularly consulted on European Union action with a direct or indirect impact on employment, workers' conditions and rights, and, in particular, prior to the adoption of the EC work programme.

The Commission is actively advancing on a series of proposals: Competitiveness Boards, Macro-conditionalities in European funds, European Fiscal Board, etc., that will further strengthen economic governance. At the same time, it remains disappointingly vague on how to implement, in practice, ideas such as a 'Social Triple A' or a 'European pillar of social rights'. However, to restore balance between the economic and social dimension, it is necessary to establish workers' rights and social principles, which European economic governance is not allowed to breach. Moving ahead on economic governance, while action on the social pillar remains under discussion and may end up getting blocked again, is not an option.

Concerning the announced 'social pillar', it is for the moment a vague commitment. It should also be clarified that the social pillar and social dimension should not apply to the EMU only, but to the EU as a whole. In addition, the proposals that have been made remain very vague on the concrete action to be taken and some, such as in the area of Health and Safety, are missing. Furthermore, we urge the Commission in particular to adopt a new strategy on gender equality for the years 2016-2020, on the basis of the clear recommendation it received from both the EU Parliament and the EPSCO.

If the Commission is serious about the relaunch of Social Dialogue and valorising our role, the ETUC should have, together with employers, a prominent place in designing policies and instruments intended to deliver on growth and jobs. Therefore, we are concerned that there are no proposals on the new start for Social Dialogue in the whole document, except a reference to "enhanced dialogue" with social partners in the completion of the EMU. No reference to the participation of social partners in the EU Semester, nor to the need to boost capacity building.

A notable absence is the whole area of workers' information, consultation and participation, whereas the ETUC would expect to see a strengthening of workers' participation at company level (information and consultation, European Works Council, etc.), as well as at supervisory board-level in Europe. The ETUC is quite surprised that none of the three initiatives under preparation (the review of European Works Councils, of the quality framework on restructuring and the next phase of social partners' consultation on the three information and consultation directives) is mentioned in the Work Programme.

The Commission Work Programme 2016 is firmly embedded in the Better Regulation principles, the annexes take up the Refit initiatives, a list of envisaged repeals, a list of withdrawals or modifications of pending proposals, as well as priority pending proposals. Although there are no new proposals for withdrawals or repeals in the social field, the ETUC is concerned about the emphasis on Better Regulation.

The ETUC is concerned that the Commission continues to circumvent Article 155 of the TFEU and its obligation to present agreements reached by EU Social Partners (like the hairdressers' agreement) to the Council. This includes any attempt to set up further barriers for the adoption of Social Partner agreements; for example, by launching impact assessments or consultation processes.

The WP refers to the Inter-Institutional Agreement (IIA) to be finalised at the end of the year 2016 (in priority 10. A Union of Democratic Change). The ETUC deplores the secrecy and lack of transparency in the discussions between the three institutions. The ETUC demands that the discussions lead to an IIA that commits to delivering quality legislation to European citizens and that has as a primary objective the strengthening of democratic law-making to provide more legitimacy to EU rules. The IIA should take a positive approach to regulation, instead of approaching regulation as a burden, and should focus more on implementation and enforcement. It is essential that the agreement must not lead to undermining existing workers' rights or prevent further improvement of social legislation.

Contrary to the EC promises, proposals within the chapter *New Boost for Jobs, Growth and Investment* are disappointing. The WP simply states that the Investment Plan is up and running and is satisfied with this. It does not intend to evaluate the plan, not even in the light of new developments, such as the crisis in emerging markets, nor the excess savings the euro area continues to record, in the form of a major current account surplus now reaching close to €400 billion. The ETUC is calling for an enhanced investment plan, focusing on a bigger volume of investment but also additional and new investment. The role of public investment should be emphasised, as well as the need to focus investment on sound EU industrial policy, on innovation and research, education and training, on quality job-creation, and on gender equality. Furthermore, the relevant role of surplus countries in providing additional investment to President Juncker's plan, in a spirit of solidarity and responsibility, should be emphasised.

The ETUC is also calling for a broad action plan to fight against the high youth unemployment in Europe and finds it disappointing that this problem is no longer a high priority for the EC. The Youth Guarantee, one of the tools in this action, is far from being fully implemented in the Member States and the Commission is silent on the future of financial support from 2017 onwards. The ETUC will ensure that this measure will not be buried without having benefited the young unemployed people it was supposed to deliver for. Furthermore, the ETUC opposes the Youth Guarantee being a "one shot" measure. We want it to be implemented as a long-term structural measure to better guide young people into the labour market.

The Commission states that it is determined to make the New Skills Agenda a priority for its Work Programme for 2016. However, the Commission is still vague when defining the exact content of the initiative. It is considering introducing measures to decrease the number of low-skilled people (in particular, adults and early school leavers) via a possible 'Skills/Qualification Guarantee'. The ETUC is positive about this approach and will ensure that this measure will be designed as a guarantee for low-skilled people to better access training opportunities and then improve their employability. At the same time, the ETUC denounces a lack of initiative in the field of medium and high skills, as well as of higher education, especially when it comes to the alignment of skills with emerging changes in the economy and labour market (e.g. digitalisation, greening economy, etc.). The ETUC insists on the responsibility

of governments and employers together with the employees to organise and finance this enhancement of skills.

The Commission proposal for the Mobility Package is still unclear. The Commission announced that the package would be issued at the beginning of December, but now the initiative has been postponed to January/February and no concrete EC proposals are available yet. Concerns still exist, in particular in the framework of the negotiations with the UK, about possible undermining of the right to free movement and equal treatment that could lie behind the package, and be put in place with the excuse of tackling abuses.

The Commission WP is announcing a “targeted revision” of the posting of workers Directive, in the framework of the mobility package. The ETUC has long expressed strong concerns that, once perceived as a key instrument to prevent unfair competition, it is increasingly misused to undermine workers’ rights and to lower the amount of social security contributions. Revision in our opinion should tackle first a proper definition of equal treatment, which should cover not only posting, but also more in general all pieces of EU legislation linked to it. Furthermore, the ETUC has been claiming for enforcement and proper adaptation of the provisions of the directive on several other aspects, including the duration of posting, the need to tackle abuses, the exclusion of temporary agencies from the scope of the directive. The central element of this exercise must be the ability of the Directive to adequately protect workers and guarantee fair competition in the single market. Equal treatment, respect for national industrial relations systems and collective agreements and enforcement are vital issues in this regard.