

ECOS-013

Brussels, 16 December 2002

OPINION

of the

Committee of the Regions

of 20 November 2002

on the

Communication from the Commission on the European social dialogue,

a force for innovation and change

and the

Proposal for a Council Decision establishing a Tripartite Social Summit for

Growth and Employment

COM(2002) 341 final - 2002/0136 (COD)

The Committee of the Regions,

HAVING REGARD TO the Communication from the Commission on *the European social dialogue, a force for innovation and change and the Proposal for a Council Decision establishing a Tripartite Social Summit for Growth and Employment* (COM(2002) 341 final – 2002/0136 (COD));

HAVING REGARD TO the Decision of the European Commission of 27 March 2002 to consult it on this matter, under the first paragraph of Article 265 of the Treaty establishing the European Community;

HAVING REGARD TO the Decision of its President of 7 May 2002 to instruct the Commission for Economic and Social Policy to draw up an Opinion on this subject;

HAVING REGARD TO the *Communication from the Commission adopting and promoting social dialogue at Community level, and Draft Council Decision amending Decision 70/532/EEC setting up the Standing Committee on Employment in the European Communities* COM (1998) 322 final);

HAVING REGARD TO the *European Governance: a white paper* (COM(2001) 428 final);

HAVING REGARD TO its Opinion on the *Communication from the Commission adopting and promoting social dialogue at Community level, and Draft Council Decision amending Decision 70/532/EEC setting up the Standing Committee on Employment in the European Communities* (CdR 343/98 fin)¹;

HAVING REGARD TO its Opinion on *European Governance: a White Paper* (CdR 103/2001 fin)²;

HAVING REGARD TO its Draft Opinion (CdR 250/2002 rev. 1) adopted on 25 September 2002 by the Commission for Economic and Social Policy (Rapporteur: **Sonny Berthold**, Mayor of Egtved, (DK/ELDR));

WHEREAS it seems clear that the traditional models of governance no longer cater for the complex reality of society today; and whereas political credibility and legitimacy are in deep crisis everywhere;

WHEREAS the debate on the new forms of governance must bring together the EU Member States and applicant states;

WHEREAS it is desirable, in terms of the future of European integration, and especially enlargement, to present a comprehensive strategy on cross-border, inter-territorial and transnational cooperation;

adopted the following opinion at its 47th plenary session of 20 and 21 November 2002 (meeting of 20 November).

The Committee of the Regions' views and recommendations

1. General comments

1. Following up previous communications on European social dialogue, the Commission Communication on the European social dialogue, a force for innovation and change (COM(2002) 341 final) sets out a series of concrete measures designed to enhance social dialogue at all levels.
2. The CoR sees the continuity and development in the European social dialogue since 1985 as extremely positive, endorsing the view that social dialogue can be a force for economic and social reform.
3. The CoR considers the Commission communication to be a major contribution towards clarifying the increasingly important role which the partners in the social dialogue have taken on under the EU's overall strategic objectives of full employment and greater cohesion.
4. The CoR welcomes the Commission's presentation of possible concrete initiatives designed to enhance social dialogue at all levels.
5. The CoR intends to support the Commission's efforts to publicise the results of the European social dialogue.

2. The social dialogue as a means to better governance

1. The CoR entirely shares the Commission's assessment that it is the social partners' capacity to enter into a regular, autonomous dialogue and thereby to negotiate agreements independently that makes this dialogue unique.
2. The CoR agrees with the Commission's assessment of the influence the social partners have in civil society and is pleased to note the favourable results of partnerships at local level, especially in the area of employment, which have been developed as a new form of governance.
3. The CoR is convinced that the Commission's objective to improve the consultation procedure and to draft its own, internal code of conduct on consultation with the social partners will be a major contribution to improving the quality of legislation in the EU, especially in the area of the labour market. The CoR is also pleased to note the Commission's proposed initiatives regarding more effective involvement of the various levels and greater openness in the dialogue relating to enlargement.
4. The CoR declares its full support for the Commission's application of the subsidiarity principle in the labour market field as the principle implies that it is first and foremost a matter for the social partners to find suitable solutions within their areas of responsibility.
5. The CoR has taken note of the Commission's position on maintaining a clear distinction between the compulsory, systematic consultation of the social partners on the one hand, and the consultations which the Commission conducts in its consultative committees on the other, and the CoR agrees that there should be no conflation of the two processes, not even in cases where the social partners might be represented on one of the consultative committees.
6. The CoR has some reservations about the Commission's across-the-board calls on the social partners to improve their internal decision-making mechanisms in areas of crucial importance for the social dialogue, as the CoR is aware that this review process has already been undertaken or started in the case of several organisations.
7. The CoR fully agrees with the Committee that the visibility of social dialogue and the role of the social players should be reinforced. In this connection, it was interested to note the Commission's proposal to improve the available knowledge concerning experience of social dialogue on a territorial scale in Europe and urges the Committee to provide that the measures adopted in this connection should especially allow the identification and diffusion of experiences of resolutions on social agreement reached at the local and regional level, in order to be aware of best practice and to provide for an exchange of experience between the social agreement players at both local and regional levels in the Member States.

Furthermore, the CoR is very pleased to see that particular emphasis will be placed on the participation of the regional and local social partners in the forum on local development to be held in 2003.

8. The CoR has observed the need to develop and improve Community level consultation with national authorities representing local and regional authorities/bodies. Currently there is no established coordination between the information, negotiation and decision-making process operating as part of EU social dialogue and the democratic decision-making process in Europe's municipal and regional boards, councils etc.

Elected municipal and regional representatives in the EU can at present, in their capacity as employers' representatives, obtain information on EU labour market issues but as yet have no genuine possibility of exercising direct influence via their organisation, the CEMR, at EU level. It is unfortunate that the Commission fails to treat these employers with democratic roots in the local community – over 80,000 local authorities and regions in the EU with more than 9.4 million full-time employees – as a full partner in the social dialogue.

3. **The social dialogue, a force for economic and social modernisation**

1. The CoR endorses the Commission's positive assessment of the potential and development prospects of the social dialogue, which may lead it to become the modernisation tool proclaimed by the Lisbon European Council.
2. Bearing in mind the need to develop the best possible mechanisms to implement the overall European strategies announced at the Lisbon summit, namely full employment and the reinforcement of social cohesion, which call for a process of change through positive management, the CoR was interested to read the Commission's proposal to establish a social tripartite summit on growth and employment.
3. The CoR is pleased to see that the Commission – so soon after the 1999 review of the Standing Committee on Employment – has met the demand made by the social partners in their Laeken contribution that the Standing Committee be replaced by a new tripartite concertation.
4. The CoR welcomes the Commission's proposals that the social partners be involved in the preparatory work on the new rules for the proposed social tripartite summit and that they will be associated with the preparation and follow-up of the tripartite summits.
5. The CoR is pleased to note that the Commission Communication also contains a description of the other forums in which the social partners participate in the context of tripartite discussions in the EU and which have developed as a function of economic and monetary integration, the implementation of the internal market and meetings ahead of European Council meetings, i.e. the Cologne process, the Cardiff process and the troika meetings.
6. The CoR fully endorses the Commission's observation that the social partners could make a major contribution to change inter alia by committing themselves to take part in the open method of coordination, which was introduced as a new political instrument along with the Lisbon strategy.
7. The CoR, which is heavily involved in drawing up action plans at local and regional level inter alia as part of the Luxembourg process, is particularly pleased to welcome the Commission's clear undertaking to include the field of employment in the open coordination process and thus to consult the social partners prior to the drafting of the proposal for the employment guidelines.
8. With regard to the Commission's overall assessment of the bilateral social dialogue, its development, implementation of known legal instruments and the inclusion of new forms of cooperation, the CoR notes the critical stance taken by the Commission, especially in the section on the work of cross-industry organisations in such major areas as the negotiation and follow-up of agreements/declarations made, as well as reporting on national implementation. On this point the CoR would like to draw the Commission's attention to the results which the CEEP, UNICE and ETUC have

achieved (since they entered into the Val Duchesse agreement in 1985), through bilateral negotiation in the form of e.g. European framework agreements, and most recently, in May 2002, the agreement on teleworking.

9. The CoR has followed initiatives to restructure the social dialogue in individual sectors with interest.
10. The CoR calls on the Commission to continue to monitor the development and ongoing work on setting up new committees when the necessary conditions are met.

4. The social dialogue and enlargement

1. The CoR welcomes the Commission's proposals regarding the candidate countries, especially the fact that the Commission wishes to commit itself to make full use of all financial instruments to increase the capacity of the social partners in the candidate countries.
2. The CoR urges the Commission to support the development of national structures for the social partners in the candidate countries, both across industries and at sectoral level, because such structures are a prerequisite if they are to take part effectively in European-level social dialogue.
3. The CoR welcomes the initiatives which the European social partners have already implemented in the candidate countries in collaboration with their sister organisations, of which several have already applied for and gained membership of the European organisation.

5. The CoR's views on initiatives to reinforce social dialogue at all levels

1. The term "social dialogue" is coming to be used for any kind of activity involving the social partners. The CoR therefore calls on the Commission to continue to operate clear distinctions between the social partners' dialogue with the EU and bilateral dialogue conducted just between the social partners.
2. The CoR recognises and respects the role assigned to the Commission in the Treaty with regard to developing the social dialogue. However, the CoR would also encourage the Commission to continue in its future work to respect the intentions expressed by the cross-industry social partners in their contribution to Laeken to develop a more autonomous social dialogue and, in so doing, to set out more concrete measures in a joint work programme to ensure that the social dialogue is better organised.
3. The CoR endorses the application of the subsidiarity principle in EU labour market policy and sets great store by the social partners being involved when EU legislation resulting from a negotiated European agreement is to be implemented nationally. The CoR calls on the Commission to examine whether the Member States have taken necessary and responsible initiatives to include the social partners in the national implementation of such legislation.
4. The CoR encourages the Commission to consider how the CoR, which encompasses a broad range of experience with job-creation plans at regional and local level, may be involved in the work surrounding the tripartite social summits which the Commission proposes to introduce.

5. The CoR would once again insist that the Commission reassess the proposal on technical coordination of the employers' delegation in the tripartite social summits so as to ensure that employers from the public labour market are on an equal footing with private employers.
6. The CoR calls on the Commission, after discussions with the social partners, to take the initiative to develop further its ideas on the possible evolution of the social dialogue in the longer term to a scenario where European collective agreements are used as sources of law, so that this aspect can be considered in discussions on the coming Treaty reform.
7. The CoR suggests that the Commission collaborate with the social partners to carry out studies into mechanisms for settling disputes of interpretation arising from European agreements negotiated and entered into by cross-industry and sector-specific workers' and employers organisations.
8. The CoR supports the Commission's assessment of local-level partnerships, which can encompass whole towns or industrial areas. The CoR has noted the Commission's intention to establish a dialogue with the other players in civil society, including NGOs. The CoR appreciates that, if local partnerships are to succeed, the social partners should be involved. The CoR also calls on the Commission to make the necessary distinction between these players in civil society and the social partners, as only the latter directly represent the interests associated with the labour market and have the necessary capacity to enter into an independent dialogue which may result in collective agreements.
9. The CoR recommends that the Commission reassess the composition of a series of consultative committees with a view to exploring the possibility of giving the social partners the same status and position as in the Commission's Advisory Committee on Equal Opportunities for Women and Men, i.e. direct membership.

Brussels, 20 November 2002

The President

The Secretary-General

of the

of the

Committee of the Regions

Committee of the Regions

Albert Bore

Vincenzo Falcone

¹ OJ C 93, 6.4.1999, p. 54

² OJ C 192, 12.8.2002, p. 24

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CdR 250/2002 fin .../...

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