

Europe Report

Irish Presidency – An Assessment

The Irish Taoiseach, Enda Kenny, believes that Ireland's achievements during its presidency of the Council of the European Union bolstered the credibility of the EU, and enhanced its role and work in the eyes of the people. He highlighted achievements such as securing a negotiating mandate on EU-US trade talks, progressing banking union plans and the conclusion of negotiations on the reform of the Common Agricultural Policy with the European Parliament. Latvia joined the EU in January, with Croatia following in July.

Negotiations on the EU's seven-year budget had taken up most of the time of the 6 months' presidency, but allowed for almost €1trillion to be released into the EU's real economy, which he believed would advance more money for youth unemployment, and aid for the most deprived, amongst other things.

Progress had taken place in financial services and economic governance, with debate on coordination of major economic reforms and for consolidation of the European Semester which could help create more growth and jobs.

Youth employment came to the top of the priorities of the European Union when the recommendation on the European Youth Guarantee was adopted, one of the main elements which would help to break the cycle of youth unemployment, and if implemented fully it was hoped would further the fight against youth unemployment.

Other important achievements included final agreement on the Common Agricultural Policy and Common Fisheries Policy reform, which had been winding through the EU process for years. The signing of the EU-US trade deal, despite a last-minute plea from France to protect its culture industry, was also a feat of negotiation.

UK Situation

Since January, David Cameron has indicated a wish to negotiate a "new settlement" in Europe and to hold a referendum on whether to stay in Europe in his manifesto for the next election. He wants to cut red tape and bring powers back to the UK. The TUC believes this will be against the interests of working people who have gained many rights under European Law, such as 4 weeks paid leave, equal treatment for agency workers, maternity rights, not to mention all the health and safety legislation. He wants to make it a "top priority for the next Conservative Government to restore social and employment legislation to national control." He clearly believes he will be able to cut our rights at work if they are subject to his control, rather than Europe's. The ETUC condemned Cameron's proposals.

Eurozone/Austerity Measures

Financial problems continued across the Eurozone countries, with Greece in particular continuing to struggle. It was joined by Cyprus who needed a €10bn bailout in April, due to a collapse in its banking system, widely believed to be due to its involvement in money laundering. The European Trades Union Congress (ETUC) condemned the attacks on ordinary Cypriots' savings which they believed was unfair and could risk destroying economic activity and jobs on the island in the longer term. Even France is considering budget cuts in 2014 to reduce its expected budget deficit.

The ETUC continued its "No to Austerity" campaign, It deplored the deal on the EU Budget as an "austerity budget" which would cap the EU budget at €960bn representing a decrease of around 3 percent for the period 2014 – 2020 over the past seven years and would, they believe, adversely affect the European Social Fund.

Ahead of the European Summit scheduled for 14 and 15 March it organised a European Trade Union rally in Brussels on 14 March against austerity and for jobs for young people, believing that an urgent change of direction was needed. One of the priorities was to focus on young people who are paying the heaviest price for the crisis and austerity. The rally had attracted 15,000 people.

European Trades Union issues

The ETUC celebrated its 40th Anniversary. The only organisation that represents workers at European level was founded officially on 7 February 1973. The main celebration was held in conjunction with a conference on 28 January in Madrid. This event was attended by many European trade union leaders as well as officials from the European institutions.

Over the 6 months, the ETUC concentrated more on campaigning for jobs and growth, particularly to help young people. This followed the Commission's report on the development of employment and the social situation in Europe, published on 8 January. The document confirmed the gloomy prospects in terms of unemployment, the worsening of the social situation and purchasing power, and the rise in poverty. The ETUC started the year believing that ambitious measures were urgently needed to get out of the mire.

Bernadette Ségol, ETUC General Secretary, said that 2013 would be a difficult year, with Europe collapsing into crisis and unemployment hitting record levels. For the first time, the jobless total has gone above 26 million and efforts need to be focussed on tackling unemployment, insecurity and inequalities.

In March, therefore, it welcomed the adoption of the Youth Guarantee, which guaranteed every young person would get the offer of a quality job, additional training, an apprenticeship or an internship within four months of leaving school or after starting his/her unemployment period. The Youth Guarantee also offered financial support of €6bn, although this was felt insufficient to cover all needs.

The European Council of June 2013 focussed on the social dimension of the Economic and Monetary Union (EMU). The ETUC welcomed the European Council's intention to discuss these pressing issues. On the basis of its Social Compact for Europe (June 2012), it further developed its contribution to this debate by adopting a position on the social dimension of the European Union at the meeting of its Executive Committee on 23 April. For the ETUC, a change of course had to happen if social Europe was to become a reality. Without this change, they believed that European citizens' support was not guaranteed.

In the same month, trade union leaders from across Europe gathered in Dublin for the ETUC Mid-term Conference "High Noon for Social Europe". At the conference, trade union leaders called for an urgent change of priorities in the form of a real European Recovery Programme with a focus on job creation and a strengthening of the European Social Model.

Legislation/Employment Issues

Health & Safety

After months of trade union pressure the European Commission has launched a public consultation on Health & Safety. However, the consultation does not say that a Health & Safety at Work Strategy will be adopted but uses ambiguous wording concerning a "new European political framework". The ETUC was pleased that the Commission had recognised the need to address health and safety at work, but criticised the lack of a new strategy to address the deterioration of working conditions and intensification of work.

Update on Posting of Workers Directive

The ETUC has concerns about an ambiguous report adopted in the Employment and Social Affairs Committee (EMPL) on the Enforcement Directive on the posting of workers.

On the one hand, the report achieves some damage control in that it tries to ensure that national control measures in the Member States where the enforcement is the most advanced will not be jeopardised by internal market principles. It also introduces a system of joint and several liability in subcontracting chains. On the other hand, the report's lack of ambition means that few improvements will take place in those Member States where exploitation of posted workers is the most striking. In particular, the report promotes weak rules on the definitions of posting and has not completely ruled out the possibility of a return to country of origin principle for workers falling outside the scope of the Directive.

Procurement

Agreement has been reached between the European Parliament and the Council on a revision of the rules governing public procurement

Under the deal, the revised framework on public procurement will introduce a mandatory social clause guaranteeing the respect for labour law and collective agreements at the place of work. Quality will also become central to the award criteria, as opposed to the resorting to the lowest price as the only criterion when granting a contract. Unfortunately, the EU institutions were not able to agree on the inclusion of a mechanism to extend it to

subcontractors. Nonetheless, the new rules should help improve transparency in subcontracting. A few points still have to be sorted in the next phase, particularly those applying to reserved contracts for social, health and cultural services which must not be open to brutal competition by commercial entities.

In addition, a deal was struck on the adoption of a new concessions Directive, also including mandatory social considerations but excluding water services from its scope. Whilst welcoming the exclusion of water services, the ETUC did not support the Commission proposal because of the risk that it would lead to further privatisation of public services.

The exclusion of water and sewerage services was seen as a recognition of over 1.7million people who had signed the Right2Water's petition for the human right to water.

Lithuanian Presidency: July to December 2013

Lithuania, a country of three million people bordering Poland, Latvia, Belarus and the Russian enclave of Kalinigrad, will take over its first rotating EU presidency on 1 July and its main priorities will mainly reflect the situation in Europe's economy with about 80% of the agenda being the European economy, the European level of integration, growth and jobs and the free trade agreement with the US.

In addition to all of this, the 'Lithuanian flavour' will be the Eastern Partnership, the Baltic Sea Strategy and external borders. In the Eastern Partnership, they want to finalise association agreements with some states, including Ukraine.

The European elections are scheduled for May 2014, so most legislation has to be adopted during the second half of this year, as the European Parliament will have only three months left to work next year.

UNISON will publish a Scottish EU Manifesto in advance of the elections.

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