



## **Strengthening sectoral social dialogue in the services industry: The all-important role of social partners in building a resilient Europe.**

### **Joint Statement**

27 January 2021

*The origin of European social dialogue lies in the EU's decision to address social and economic issues arising from the creation of an EU single market through discussions between representatives of employers and workers (Art. 154f). Social dialogue has been the cornerstone of the social dimension of the single market.*

The services sectors, that we represent, are the backbone of Europe's economy. They underpin both growth and job creation, as well as Europe's competitiveness in the world. Our social dialogues are key instruments for developing both quality services and jobs. At the same time, technological advances, such as digitalisation, have led to significant changes in the services sectors, resulting in possible overlaps between some European sectoral social dialogues.

During the Covid-19 pandemic, the services' sectors have proven their importance and enabled our economies and societies to keep going. At European level, sectoral social dialogue of the services sectors has provided the framework for the discussion and adoption of joint statements, recommendations, and guidelines and proved to be an essential channel to communicate sectoral needs to the European institutions. Services' social partners emphasised the importance of a constructive sectoral social dialogue. Sectoral social dialogue was instrumental in engaging common discussions in the sectors on the consequences for the 'after Covid-19' world of work as well as the requirements for recovery.

Our initiative to discuss common challenges among the European sectoral social partners from the services sectors complements our respective social dialogues' endeavours. We welcome the opportunity to highlight the importance of European sectoral social dialogue and look forward to exchanging further on how to strengthen it during these critical times.

- 1) European social dialogue supports and complements social dialogue at national level by bringing together the experience and expertise of social partners, therefore adding value to the organisations and their members on both sides of each industry. Social dialogue contributes to achieving the objectives of full employment, social progress and the fight against social exclusion laid down in Art. 9 TFEU. Effective social dialogue at all levels is also a tool to re-build trust in the European project at large, to counter populism, and to contribute to economic recovery.
- 2) European sectoral social dialogue is distinct from cross-sectoral social dialogue. European social dialogue is an autonomous dialogue between employers and trade unions. With their specific knowledge of each sector, sectoral social partners are those that have the capacity to negotiate according to national law and practice. This particularity allows the social partners to guide policymakers in passing legislation that accurately reflects the needs of each sector. The sectoral social partners are in a better position to deliver a concrete picture of each sector and can provide specific data that can be used in the design of policy proposals. This particularity also enables the social partners to actively initiate a legislative procedure when the requirements are met. The European Commission therefore has an obligation to facilitate and promote social dialogue.
- 3) Sectoral social dialogue at national and European levels is an important instrument in terms of change anticipation and organising transition by finding and implementing joint solutions based on sector specific experiences. This applies in particular to the green and digital transitions. Key issues also include the employment and social dimension of the European single market for services, skills agenda, demographic change as well as new and diverse forms of work, the platform economy, working conditions and social protection. The European social partners contribute to addressing such changes, not least by formulating joint responses in the forms of guidelines, joint opinions, recommendations or action plans.
- 4) Many of these changes follow similar patterns in different services sectors. The services social partners therefore intend to develop more regular exchange across their sectors on common issues, notably on aspects that have social consequences in the services' industry as a whole. While ensuring the role of the individual sectoral social dialogues, such cooperation can also contribute towards increasing the weight given to the services sectors in EU policymaking and better aggregate input by key stakeholders. The services social partners therefore ask the European Commission to facilitate such a process – one option would be a regular forum of exchange for services social partners.

- 5) Sectoral social partners should be involved in the EU's policymaking process, notably through their social dialogue committees by mutual agreement. They can in particular contribute to sector-specific initiatives by adding their social partner expertise. Services' social partners encourage the European Commission to consult the relevant European social partners from the earliest stage possible before the drafting of a policy proposal begins. This includes input to the Regulatory Scrutiny Board. Where relevant, they also encourage the European Commission to involve them systematically in monitoring the implementation of sector-specific legislation and policy.
- 6) The respective Directorates General (DG) that lead on a given initiatives should involve DG EMPL and interested sectoral social partners throughout both the policymaking and implementation processes. Social partners would welcome the idea of having a dedicated office in each relevant DG, responsible for social dialogue and social affairs as it is the case already for some sectors (e.g. Maritime transport and Fisheries).
- 7) European Social Dialogue relies on a strong national membership. Services social partners are ready to engage together with the European Commission in capacity-building activities to develop, promote and strengthen sectoral social dialogue, in particular in Central and Eastern Europe, taking into due consideration the diversity of industrial relation systems. The European Commission should make further --dedicated funding available to social partners and make funding opportunities for social dialogue support more transparent. The current social dialogue project budget lines are of limited suitability for this purpose and should be revised.
- 8) Outcomes of European social dialogue (agreements, process-oriented texts, joint opinions and tools), are only meaningful if they can be discussed, translated and used by respective national social partners and/or by contributing to a common European level approach. The European Commission should support and facilitate this process and its functioning, by promoting and facilitating social dialogue in those countries where it is underdeveloped. Exchange among sectoral social partners on this and the implementation of targeted projects aimed to raise awareness on European social dialogue could be mutually beneficial. The European Commission and governments should substantially increase the visibility they give to joint outcomes of sectoral social dialogue, within and outside their institutions, and especially in the context of legislative and non-legislative processes.
- 9) One of the most important expressions of European social dialogue are sectoral social partner agreements. While we accept that the Commission's role as the guardian of the Treaty includes ensuring that social partner agreements are in line with the law, we stress that the social partners are those who know best what is appropriate and beneficial for their industry in terms of social matters. The European Commission has an obligation to respect the autonomy of social dialogue. Under the condition of a request by recognised European social partners, it should facilitate the conclusion and implementation of their agreements in line with Art. 155 TFEU. Services' sectoral social partners welcome the expressed endeavour to address the fact that there is no functioning

process at European level for sectoral agreements. Services' sectoral social partners fully support the recommendation to establish a clear process in that regard for the future. Social partner agreements can be autonomously implemented in close cooperation between the social partners and the European Commission services in innovative ways that derive concrete benefits for both management and labour.

- 10) Budgets for sectoral social dialogue are being reduced and/or re-assigned. Administrative work to organise European social dialogue activities has been increasingly moved from the European Commission on to the social partners. Such work, whether it be running EU funded projects or organising social dialogue meetings constitutes in many cases excessive and unnecessary burdens. This is a clear and alarming political move from the European Commission towards a reduction of resources away from social dialogue. The European Commission should review its approach with a view to allow social partners to focus on their core role in social dialogue and, indeed, provide more resources for capacity-building.
- 11) The representativeness of the social partners derives from their mutual recognition; it is intrinsic to their nature and is at the core of their autonomy. Representativeness studies conducted on behalf of the European Commission are an important element in supporting the development of social dialogue and the autonomy of the social partners.

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