

# SMEUnited position on the Communication “Strengthening social dialogue in the EU: Harnessing its full potential for managing fair transition”

## Key messages

SMEUnited welcomes the European Commission Communication on Social Dialogue.

The Communication is an important and timely contribution for strengthening social dialogue at European and national levels in a period of rapid changes on the labour market and of geopolitical, economic and social uncertainties.

SMEUnited largely supports the various actions the Commission intends to undertake:

- the continuous financial support to EU social dialogue, negotiations and implementation of agreements,
- the creation of a network of social dialogue coordinators in different Commission services,
- the consultation of cross-industry social partners ahead of the publication of the yearly EU Commission Work Programme.

Social dialogue with strong social partners is the best tool to manage changes in the world of work with the current demographic ageing, the green and digital transitions and the climate change. Social dialogue at European, national and company level is essential to define the appropriate solutions which reply to the needs of both enterprises and workers while taking into account the economic and social change.

The European Commission’s social dialogue initiative is a step in the right direction as it will support the development of autonomous social dialogue at EU and national levels. It will also enable to build a shared understanding and mutual trust among social partners, which are essential prerequisites to modernise European labour markets. In this respect.

Social partners are best placed to positively contribute to policy-making and law-making in the field of employment, labour markets and social protection. However it is essential to acknowledge that their level and quality of involvement is not the same in all Member States and that the current situation should be improved.

A well-functioning social dialogue supports higher productivity, competitiveness and a good work environment based on shared solutions and collective agreements negotiated by both sides, employers' organisations and workers' trade unions at all levels, national, regional, sectoral, but also at company level between employers and workers.

The promotion and strengthening of social dialogue at European and national level is of outmost relevance to tackle the numerous challenges ahead while recognising the autonomy of social partners and fully respect the diversity of social dialogue systems and practices, at bipartite or tripartite levels.

## On the proposal for a Council Recommendation

SMEUnited welcomes the link between the Communication and the Recommendation which underlines the role of Member States to ensure an enabling environment for tripartite and bipartite social dialogue and the necessary interconnection between the European and national social dialogue.

We strongly support the acknowledgement of the diversity of national industrial relations systems and the impact that this has on the role of collective bargaining. We strongly support the timely and meaningful involvement of national social partners in the European Semester and in the implementation and review of national Resilience and Recovery Plans, in particular of SME organisations.

We especially appreciate the willingness to continue the capacity building support in order to give all social partners the possibility to fully play their role in all Member States. However it would be a major progress to distinguish between the support of the ESF+ dedicated to Social Partners and the part dedicated to the other organisations of the civil society.

## Structures of social dialogue at EU level

### Cross-industry level:

Since 2015 and the Joint Statement on the New Start for Social Dialogue, European social partners have been better and more closely involved in the European Semester which is not the case in many Member States. SMEUnited very much appreciates these noticeable developments of a tripartite dialogue with cross-industry social partners at European level.

### On EU Commission actions:

- SMEUnited welcomes the new call of the Commission to the Employment Committee and Social Protection Committee to organise regular exchanges on relevant topics with the participation of European and national social partners. We strongly support improving the tripartite dimension through regular exchanges in the framework of the Employment Committee (EMCO) and Social Protection Committee (SPC) meetings. National social partners are already involved in the multilateral surveillance on social

dialogue. This should be enlarged to other topics, such as labour and skills gaps as well as to social protection reforms and its financing.

- Enlarging the Social Dialogue Committee to Member States representatives is not the most appropriate solution, since it will mean moving from a bipartite to a tripartite approach. The Social Dialogue Committee should remain a social partners body. However we could accept ad-hoc extraordinary meetings with Member States back to back to the Social Dialogue Committee meetings on specific issues, if well distinguished from our bipartite meetings.

## Sectoral level

We see the added value to have sectoral social dialogue committees more inclusive and with an increased representativeness, while respecting sectoral social partners' autonomy. Essential is the call on social partners to ensure the inclusion of all representative and relevant EU social partner organisations. SMEUnited is well aware that it is a highly sensitive issue, but the main aim is to have the full participation of representative SME organisations, which currently have hardly access or no access to the Sectoral Social Dialogue Committees. Therefore a large number of entrepreneurs and workers are not consulted.

A renewed and modernised sectoral social dialogue at European level makes even more sense when the representative European SME organisations composed of national sectoral social partners are consulted. The basis is a genuine and fruitful partnership between the already recognised European sectoral social partners and the representative SME organisations.

The development of a new approach for representativeness studies should be done in a transparent and objective manner. The revision of the 1998 Communication should take place in an open and direct dialogue between the well-established European sectoral social partners and the European Commission but also including the relevant representative European SME organisations expressing the wish to join the sectoral social dialogue committees. :

On EU Commission actions, SMEUnited supports:

- The potential revision of the decision 98/500/EC which should take place in close cooperation with sectoral social partners,
- Facilitating the synergies between sectors with the objective to enhance the relevance and effectiveness of sectoral social dialogue which should be done in agreement with the sectors concerned and on the basis of representativeness studies,
- Promoting the inclusion of all relevant representative European social partner organisations in the existing and new committees is fully justified to get a higher coverage of the employers and workers from each specific sector.

## Supporting Social Partner Agreements

The negotiation of social partners' agreements should fully respect the autonomy of social partners and on the issue at stake. The decision to negotiate or not to negotiate relies on the real need and added value of such agreement on both sides. This has been the case for telework and right to disconnect where the European cross-industry social partners decided to start negotiations as part of our Social Dialogue Work Programme 2022-2024.

We agree with the application and respect of the Better Regulation agenda. In particular, we accept that an impact assessment can be required on a case by case basis to implement social partner agreements transposed into a Directive. In case the Commission considers that an impact assessment is not required, we consider 3 months as a reasonable timeline for the Commission to give feedback to European Social Partners. A longer period could be required when the Commission considers that an impact assessment is necessary. In this case we request to apply a maximum time limit of 9 to 12 months.

We appreciate the EU Commission willingness to further support the diversity of initiatives taken by the European social partners such as framework of actions, mutual learning exercises, guidelines which really help national social partners to design new solutions to tackle common challenges adapted to their specific national or sectoral situations.

### On EU Commission actions:

- Administrative support and on request legal advice is needed when we decide to enter into negotiations
- Strong support through calls for projects for implementing social partners' autonomous framework agreements is very much welcome

### The Commission call on European social partners to

- Negotiate and conclude more agreements in the future.  
According to SMEUnited, this does not respect the social partners' autonomy. Such decision can only be the outcome of discussions between the European social partners and with their respective national members.
- Ensure that they have a mandate from their national affiliates allowing them to enter into negotiations on social partner agreements.  
This is the basis of the four European cross-industry social partners before starting any negotiation and this should remain the case in the future.
- Continue to involve their respective members in joint and separate capacity-building actions and projects aimed at ensuring the implementation of their autonomous framework agreements in all Member States.

According to SMEUnited, the financial support related to the implementation and follow-up approach on Social Partners Agreements will facilitate their implementation in all Member States. Important is to have the possibility to set-up unilateral or joint projects and among all to support the capacity-building of national social partners and getting the capacity and willingness to implement such agreement.

## **Strengthening Social Partners' involvement in EU policy making**

As SMEUnited, we consider an important priority to strengthen the involvement of social partners in EU policy-making. It requires a regular dialogue at various levels with the European Commission to improve the consultation of social partners in different ways, formally or less formally, by all Commission services dealing with issues related to the social partners competence areas.

### On EU Commission actions:

- Assign the role of Social Dialogue Coordinator in each Commission service.  
As SMEUnited, we welcome the setting-up of a network of social dialogue coordinators in the most relevant Commission services under the strong coordination of DG Employment.
- Through the responsible Members of the College, gather the views of the European cross-industry social partners on policy priorities ahead of the Commission Work Programme, as part of the regular dialogue.  
We very much appreciate to have a yearly information meeting ahead of the publication of the EU Commission Work Programme, which should better help social partners to define the priorities for the future regular hearings.

## **Making financial and technical support more effective**

As explained in the Communication, complementary to its support to social dialogue and social partners at European and national level, the Commission also finances research on social dialogue and collective bargaining in different ways. Eurofound, the tripartite Agency for the improvement of living and working conditions, is delivering useful and up-dated information on national social dialogue and collective bargaining process and outcomes and should continue to do so.

A joint project with OECD to develop the OECD database on the International Characteristics of Trade Unions, Wage setting, State Intervention and Social Pacts makes sense if there is a need for better information sharing and better information and nurturing of the social dialogue culture, especially on the impact of European social dialogue at national level and follow-up of European agreements by national social partners.

On EU Commission actions:

- Set-up in cooperation with social partners, a research network for analysing and promoting EU social dialogue and to following its implementation
  - Support European social partners to improve awareness raising of EU policies and labour market institution among their member organisations.
- SMEUnited supports a new Research Network for the analysis and promotion of EU social dialogue and the implementation of outcomes with a clear social partners' involvement. SMEUnited insists that the new Research Network should avoid duplication of the Eurofound work in this area.

The Commission calls on social partners:

- To give greater visibility to the outcome of European social dialogue and the results of EU projects and ensure that the results are widely disseminated to their members and beyond.
- This is what the European cross-industry social partners are already doing and will further intensify, especially the dissemination of the joint European social dialogue outcomes.

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