



Minutes European Sectoral Social Dialogue Committee Local and Regional Government of  
17 June 2013

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## **MINUTES EUROPEAN SECTORAL SOCIAL DIALOGUE COMMITTEE LOCAL AND REGIONAL GOVERNMENT OF 17 JUNE (Working Group Meeting)**

### **Focus: Recruitment and Retention/Skills & Life-Long Learning: implementing Framework of Action**

*Morning session 10h00–12h30: Chaired by Radka Soukupova – co-coordinator, CEMR*

#### **1. Presentation Cross-Sectoral Framework of Action on Youth Employment: negotiation challenges and outcomes**

*Discussion with ETUC (Juliane Bir, Adviser) and CEEP representative (Andreas Persson, Adviser).*

Juliane Bir and Andreas Persson give an overview about the negotiation challenges and the final outcome of the Cross-Sectoral Framework of Action on Youth Employment (FoA YE) and present the three priorities on learning, transition, employment and how to promote and follow-up the priorities with regional seminars, additional meetings and how to disseminate the FoA YE.

The priorities mentioned under “learning” mention that young people need to be equipped with basic competences, including education and training (with social partner involvement – responsive to the labour market and focusing on skills matching). Also the focus is on primary and secondary education, vocational training, apprenticeships, traineeships and mobility.

Under the second priority “transition” the FoA YE mentions the necessity of the EU Youth Employment Initiatives, the Youth Guarantee as agreed in the EPSCO Council on 28 February, how to establish better guidance and information and how to identify new skills and new jobs.

Under the priority “employment”, the FoA YE mentions that adequate macro-economic policies and targeted investment is needed to foster growth and a job-rich recovery, and that it is the responsibility of national social partners and governments to determine terms of employment and help developing young people to enter and develop in the labour market.

To promote the short-term and long-term actions and recommendations by the cross-sectoral social partners the FoA YE mention regional seminars and additional national meetings that can be organized by national social partners, including a sectoral approach. To Follow-Up the European social partners will evaluate the impact on both employers and workers after three annual reports.

The following issues were addressed in the ensuing discussion of the committee during the first round of questions:

- Some job creation is intended to train young people so they can go into public and private sector at a later stage.
- Enhancing the image and attractiveness of the public sector is a joint goal of social partners, and thinking about on what jobs the public sector competes with e.g. the industrial sector, jobs need to be made attractive for young workers
- Recruitment and retention in the hospital sectors is an issue where jobs are hard, and shortages exist.
- The age pyramid in the public sector: for new ICT technologies there is a young public working, but then after 40 they disappear: what about retaining workers in these jobs?
- Competition in certain sectors as e.g. with the industrial sector- Need to think about promoting and pass on information about what is not working and making our public sector jobs more attractive
- The FoA on YE sets out minimum actions- but up to National Social Partners to implement further

## **2. Discussion of joint document on implementing the cross-sectoral framework of action on youth for local and regional government: Joint Output**

Altogether the feedback and reactions about the FoA on YE were positive in the Committee (SV, CZ, NL, BE). In the Czech Republic they will try to implement the recommendations, and for the Swedish unions and employers the first step is to translate the document into Swedish; with a first discussion in the public sector already starting. The main focus there is on school drop-outs with a project on keeping young people longer in schools and a campaign on “Sweden’s most important job” targeted to the public sector. In the Netherlands work was done in relation to transferring information to public sector employers but that one of the priorities of the unions is how to think about creating jobs, to reduce the pension age as working longer means also fewer vacancies for the younger people. An idea circulated was that older people would work one day less and have a trainee as replacement during that day- this is currently discussed, with view to be entered into the collective agreement. In Belgium the competence for employment is not local but regional and central government.

Additionally, the EPSU report on “training, jobs and decent work for young people in the public sector”, which seeks to identify any initiatives taken by employers in the public services to improve the recruitment, retention, training and career development of young workers. (<http://www.epsu.org/a/8976> )

**Coffee break 11h15-11h30**

## **3. The Finnish Youth Guarantee in local and regional government: Joint Social Partner Presentation**

*Bjarne Andersson (CEMR), employer representative and trade union Päivi Niemi-Laine JHL (Finland)*

The Finnish Youth Guarantee mainly considers the transition from education to work and questions if school systems work well, the model is relatively new in Finland. There is more investment needed to really implement the Finnish Youth Guarantee as the General unemployment trends in Finland show a growing tendency towards increased youth unemployment.

Other challenges are the mismatch between skills requirements and those held, labour market structures give advantage for older workers at the expense of new entrants, employers halting or reducing recruitment, impact of crisis in specific high recruiting sectors, and a rate of 24,4% young unemployed

The target group for the Finnish Youth Guarantee are young unemployed, young people with basic education and the so-called NEETs. There are four elements of the Finnish Youth Guarantee:

- Employment measures- ' gets an employment plan' , drafted jointly by job office and jobseeker;
- Educational guarantee – guarantees vocational guidance and career guidance : helps young person make some choices on what they want to do;
- Youth outreach ( for NEETs) government aid granted;
- Youth workshops

There is high political support for the youth guarantee according to Bjarne A. but vocational training should be more flexible. According to P. Niemi- Laine, however, the real impact of the youth guarantee remains rather limited for the moment and a first report after the summer will shed more light on the concrete results. It needs even more political support and it is fundamental that local and regional authorities become more aware of the youth guarantee and offer more junior positions, including central administration and in particular Ministries, which are rather ignorant to date, in that respect. 10 Million Euros in 2013 are associated to implementing the Finnish Youth Guarantee, and it has a framework over four years. Both unions and employers agreed that more funding is crucial to implement the YG.

#### ***4. Job Rotation Examples in Denmark: Trade Union Presentation***

Mads Samsing (HK/OAO) presented the job rotation initiative from two Danish municipalities, Randers and Rebild. The current unemployment rate in Denmark is between 6-8 per cent depending on the calculation method. Youth unemployment is about twice as high as the overall unemployment rate. In 2020 there will be an expected shortage of 300.000 skilled workers with higher education and a surplus of 210.000 unskilled workers, which is the basis of the idea. In terms of benefits of the initiative it is worth mentioning that municipalities become more efficient in terms of running, with higher quality in services with better educated workers and that they can recruit more permanent employees among temporary workers. There is also the advantage of getting optimal financing of course and temporary workers benefit from the job rotation.

The municipality is assisted by the state (50 % per cent reimbursement). The benefits for employees is that they can gain new skills and qualifications through training and education, do not experience pay cuts while they are on education and they have an increased job security with avoiding returning to a backlog because the operation is done by temporary workers during absence. There are two models: a permanent system for unskilled and skilled workers and a temporary system for persons with higher education. The first evaluation of the initiative will be next year 2014.

The initiative has been targeted to young people that are hired as temporary workers and additional funding has been released to increase the jobs for young workers. The permanent model is financed by active labour market policies. The Danish government has made this a priority at the moment.

**Lunch break 12h30-14h00**

## **5. Re-cap of morning session**

The Chairman summarized the discussions from the morning sessions and proposed the following recommendations for joint action:

- 1. Drawing up a joint statement on youth unemployment in local and regional government, welcoming the cross-sectoral FoA on YE.**
- 2. Encouraging national social partners to translate this document**
- 3. Looking into the possibilities at EU level to fund additional translation of the FoA on YE.**
- 4. Follow-up in future LRG meetings on the implementation of the FoA on YE.**

The Committee (employers and unions) agreed with the proposals a first draft joint statement will be circulated before the next meeting.

## **Focus: strengthening Social Dialogue and building capacity for development**

### **6. Framework Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community to the public sector: Discussion on local and regional governments confirming their full right of social partners:**

- *Francois Zeigler, European Commission*
- *Establishing a 'dialogue' culture: Germany (Ver.di), Austria (GdG)*
- *Starting from scratch: New Member State experience:*

#### **Link to the Framework Directive**

<http://ec.europa.eu/social/main.jsp?catId=707&intPageld=210&langId=en>

Hammarback A. introduced the item by saying that this Committee has had a deal of faith in social dialogues as a way to solve problems in the field of restructuring. In all our Joint statements we say that SD is a solution.

F. Ziegler started his presentation by saying that social dialogue has slowed down due to the crisis; under strain at national level; in certain countries collective bargaining has been suspended. Funds for Social dialogue have been cut.

The EC is currently assessing the impact of its regulation – duty to launch such impact assessments (ex-ante evaluation exercise).

EC now undertaking an evaluation 'ex poste' for 3 directives on information and consultation of workers: 'Commission Staff working document' – Fitness check on EU acts in the area of information and consultation of workers.

4 areas of impact assessment:

- Relevance
- Effectiveness
- Efficiency
- Coherence

The 3 directives are in some countries applicable, but not implemented in all of these directives concerning public administration.

The EC will not propose any amendments to these directives but rather SP are called to address this situation, and given opportunity to negotiate any common action in order to help them to pursue their social dialogue negotiations in the respective countries and to facilitate application to allow for information and consultation of workers'

The aim of this SWD is to provide a global picture of the situation, and pass a message to sectors where there is no harmonized application of such directives. Joint action would be welcomed from Sectoral Social Partners.

This is linked to the discussion on the "Staff Working paper on Restructuring" to be published in the coming few weeks, with perhaps a recommendation to the Social Partners.

There is no harmonized implementation of such directives in the public sector, or a way to know which countries have applied or not applied these directives.

Since the Lisbon Treaty Art 28 of Charter of Fundamental rights is a new legal support for envisaging the implementation of these directives into all sectors including public sector, we need to link this into the Restructuring discussion within our Social Dialogue Committee.

### **National Social Dialogue in the Public Sector- Structures and Challenges in Germany and Austria and Lithuania**

R. Sternatz (Ver.di) gave a general overview over the current collective bargaining system in place in the public sector and the current challenges, in particular she mentioned the increase in precarious jobs and short-term contracts in the public sector as a general worrying tendency.

Public services for co-decisions:

- Law on employee representation for Federal Lander
- Staff Councils – employees elected from workplace, can also be released from their daily work to be representing their co-workers
- Collective agreements in the public sector – basis for TU to act is the 'coalition freedom' enshrined in law + collective bargaining agreements

Challenges

- Financial meltdown of the public sector: reduction of tax incomes,
- Public service is being put under pressure which affects jobs (job loss, privatization, infrastructure being outdated)

G. Unger (GdG) explained that in Austria there is a good basis for social dialogue and collective bargaining in the public sector.

Effects of the crisis on public sector:

- Felt some effects, but not as pronounced as other countries
- No huge drop in employment

- Wages haven't been cut: only a freeze in 2 federal regions
- Stability pact between regional and local level – not clear of effects yet
- Rise in 'fees' in Austria, money that has to be paid for certain public services ( waste collection, some fee increases in hospital sectors)
- Changes to pension and social insurance legislation –
- Trying to bring together local levels
- On one hand privatization, and on the other hand in e.g construction contracts to make public and private partnerships – e.g in Vienna for a new hospital, 300,000 inhabitants- the funding will be covered by the private sector as well as the public sector
- Trying to look at the effects on the public sector: its not up to the public sector to pay for the financial crisis entirely

Audrone Vareikyte, from the Lithuanian employers', reported that social dialogue at municipal level is in its starting phase, and that since 2003 social dialogue is regulated by the labour code –the legal framework with four levels- national, sectoral, regional, municipal and company level.

It is best developed at national and company level. Company level agreements are made for one year focusing on work, training and working conditions; Company level is at a small scale with 70% less than 10 employees.

In 2012 a first regional collective agreement was signed for the first time, in the construction sector covering 600 employees. There are no municipal agreements – one reason is that it is not clear who the employer is and the TU membership is not high.

Sectoral social dialogue is underdeveloped: laws make room for this but not many agreements. How to stimulate social dialogue? For TU it's a lack of employer organisations. Employers think that there are similar problems with TU organizations.

National; tripartite social dialogue since 1995, 15 members: 5 from each party. Not implemented in practice. In 2009 national agreement was reached for 2 years, only signed by government and NGOs and trade unions: negotiation between social partners began only after a strike which was initiated by TU against public sector pay cuts and the effects of the crisis.

There are the following measures on how to implement Social Dialogue:

- 2007-2011 programme to encourage Social Dialogue financed by the National government;
- Educational activities through 80 coordination seminars and training on municipal level, and such measures were positive;
- Due to this TU and employers at municipal level are more active in social dialogue;
- ESF have been given to continue this activity.

In the general discussion the following action points were discussed:

- 1. The added value to work on how we could further implement this general framework – we could think about a more consistent text for local and regional government, and to help structure the notion the meaning of 'employer';**
- 2. To establish a clearer picture of public sector social dialogue in particular municipal and local level. A first joint brochure on social dialogue in local and regional government administration (CEMR/EPSU) already exists – we could think of how to update it and promote it;**

### **3. How can we define the right to inform and consult in the public sector?**

#### **7. Follow-Up Third Party Violence Questionnaire**

EPSU informs that in order to follow-up the dissemination and commitment to draft a report in 2013 from the joint cross-sectoral guidelines signed by the social partners from the local and regional government, healthcare, commerce, private security, education sectors, there is further need to receive feedback from the formulated follow-up questionnaires.

An overview will be compiled with all responses and the next step will be to present this overview at a meeting with the European Commission with all sectors in September.

#### **8. Public consultation on the new EU occupational safety and health policy framework**

The European Commission has published a public consultation on the new EU occupational safety and health policy framework to be answered until the end of September.

The Committee agrees that the Steering Meeting will have a first discussion on the document but that in principle a joint response should be submitted.

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