

# Forty Years After Its Creation:



**POLICY BRIEF JANUARY 2025** 

#SocialDialogue

## What Relaunch for European Social Dialogue?

Forty years ago, on January 31st, 1985, Jacques Delors, just one month after taking office as President of the European Commission, gathered European trade union and employer leaders for a first summit, known as the Val Duchesse Summit, to launch European social dialogue. After a preliminary initiation phase during which the social partners established a common language for negotiation, a phase of building a contractual space led to significant agreements regulating the European social space (parental leave, part-time work, fixed-term contracts, etc.). Following a disappointing phase of autonomy in social dialogue, with agreements failing to lead to European legislation and instead being weakly implemented at the national level by the social partners themselves, social dialogue no longer produced significant results. So, what kind of relaunch is possible? In December 2024, the social partners negotiated a Pact for European Social Dialogue aimed at giving it a new impetus. But will this truly succeed?

### I • A Struggling Social Dialogue

The past two years were marked by the failure of negotiations on telework and the absence of negotiations on the revision of the Directive on European Works Councils. Yet, the 2022-2024 social partners' work program reflected a qualitative shift, integrating for the first time in 20 years a negotiable theme, with the prospect of extending the agreement, if reached, through European legislation. This was the revision of the first autonomous agreement from 2002 on telework.

This form of work dramatically expanded during the COVID crisis, which significantly altered employment conditions, making it necessary to update the agreement, particularly to incorporate a "right to disconnect." However, it would be naive to believe that employers embraced this negotiation out of virtue. In reality, the European Parliament had requested the Commission to take legislative action on the matter, which the Commission agreed to, initiating a consulta-

Jean Lapeyre, Former deputy general secretary of the European Trade Union Confederation (ETUC) tion process with the social partners, thereby creating the opportunity to decide on negotiations that would suspend the legislative initiative.

As expected, BusinessEurope, representing employers, opposed the first phase of consultation on the advisability of European legislative action on this topic. When the Commission decided to proceed, as requested by the European Trade Union Confederation (ETUC), BusinessEurope fell back on negotiations. It was clear from the outset that the group of employer representatives had no intention of conceding a right to disconnect. By dragging out the negotiations for 18 months and abruptly withdrawing from the table, Business Europe succeeded in stalling the legislative initiative just before the European elections and the instalment of a new Commission that employers believed would be more favourable to them-which turned out to be true.

It was, therefore, unsurprising that the ETUC refused to negotiate the revision of the Directive on European Works Councils, a topic even more contentious with employers, who were adamantly opposed to any significant improvement to a Directive they had always opposed.

The 2025-2027 social partners' work program was supposed to be negotiated in 2024. The stalled state of European social dialogue and the completely eroded climate of trust between social partners demanded a strong political act for its relaunch, 40 years after its creation. This was decided in 2024 through several bilateral and trilateral initiatives.

#### II . Elements of Relaunch

In January 2023, the European Commission launched a Communication¹ striving for "greater involvement of social partners at national and EU level" asserting that social partners "play a crucial role in times of crisis or change" and that "social dialogue and the involvement of workers is a key principle of the European Pillar of Social Rights".² This was followed by a proposal for a Council Recommendation to bolster social dialogue at the national level and promote the role of social partners at the European level³.

These actions were followed by a Social Partner Summit under Belgium's EU Presidency on January 31, 2024, at Val Duchesse. Symbolically, the Belgian Presidency chose the date and location to reference Jacques Delors' initial initiative. This summit resulted in a "Tripartite Declaration for a Thriving European Social Dialogue," emphasising labour and skills shortages, the central role of European social dialogue, and the launch of a Pact for European Social Dialogue, which the social partners were tasked with negotiating by January 2025.

A new Tripartite Social Summit was held on March 20<sup>th</sup>, 2024, in Brussels between European institutions and social partners, themed "An economically and socially strong Europe to plays its role in the world." The summit focused on an industrial strategy complementing the Green Pact, prioritising quality jobs, a single market meeting the expectations of businesses and workers and addressing skill and labour shortages.

Finally, a multiparty conference under the Belgian EU Presidency on April 16th addressed "The Future of the European Pillar of Social Rights"<sup>5</sup> gathering social partners, civil society representatives, the Commission, the Council, the European Parliament, the European Economic and Social Committee and the Belgian Presidency. This

<sup>1</sup> European Commission (2023), "Strengthening social dialogue in the European Union: harnessing its full potential for managing transitions", Communication from January 25 2023. COM(2023) 40 final.

<sup>2</sup> European Commission (2023), Commission sets out concrete actions for greater involvement of social partners at national and EU level, Press Release, 25 January.

<sup>3</sup> Council Recommendation of 12 June 2023 on strengthening social dialogue in the European Union (C/20231389)

<sup>4</sup> Tripartite Declaration for a Thriving European Social Dialogue, 31 January 2024

<sup>5</sup> La Hulpe Declaration on the Future of the European Pillar of Social Rights, 16 April 2024

conference produced a significant declaration on the future of European social policy, signed by all participants except two member states (Sweden and Austria) and... BusinessEurope.

#### III . The Hardest Part Is Yet to Come

Negotiating the Pact for European Social Dialogue was brief, lasting just one month from November to December 2024, resulting in a short, general text finalised by the social partners on December 5<sup>th</sup>, 2024. The text was adopted by the ETUC's Executive Committee on December 10-11<sup>th</sup>. Aware of the challenges and the dire state of European social dialogue, the ETUC described it in its December resolution as "a first step towards rebuilding European social dialogue."

The Resolution on this Pact addresses three chapters: strengthening social dialogue to contribute to economic and social progress; enhancing the European Commission's actions to support and reinforce social dialogue and the role of social partners; and defining joint commitments by European social partners.

European social partners aim to establish joint procedures to improve their autonomous bipartite work, particularly regarding the instruments of European social dialogue, mutual coordination on consultations, and better support and monitoring of the implementation of autonomous EU agreements at the national level. It should be noted that more than twenty years have passed since the telework agreement was concluded, yet its implementation remains very weak: only four countries have transposed the autonomous agreement into national agreements, some have only made declarative efforts, and six others have done absolutely nothing. In this context, one may wonder how trust can be placed in the results of an autonomous agreement meant to establish new rights for all workers across EU countries when the European agreement itself is not implemented at the national level and therefore does not guarantee rights for all citizens. One potential solution could be the establishment of an automatic extension mechanism for European agreements after a certain number of years.

Finally, through this Resolution, social partners also renew their commitment to preparing multiannual work programs for European social dialogue.

The joint contribution of the social partners to the Pact was submitted to the European Commission as a basis for a final tripartite Pact in early 2025, as decided at the January 2024 Val Duchesse Summit. However, as the text appears very weak, the Commission is struggling to utilise it.

Beyond formalising this Pact through tripartite meetings, a 2025-2027 work program must now be negotiated. Including negotiations that establish new rights in the program will be challenging, as European employer representatives have opposed any social regulation, whether legislative or contractual. BusinessEurope's October 2024 publication on "Priorities for the EU's social dimension 2024-2029" highlighted this mindset, stating, "EU policy makers need to move away from their predominantly regulatory approach to social policy and avoid coming forward with unnecessary new social policy legislative initiatives".

Therefore, the 2025-2027 work program risks being limited to declarative actions, codes of conduct, and recommendations. Meanwhile, the Commission and other institutions must advance legislative priorities, such as the right to disconnect, improving the Directive on European Works Councils, workplace health and safety, lifelong learning, and skills development. The Letta and Draghi reports should inspire the social partners for their joint actions, but the employer's side still seems far from wanting to take concrete action with the ETUC at the European level.

<sup>6</sup> European Trade Union Confederation, Resolution on the Pact for European Social Dialogue -Contribution of European social partners, adopted at the Executive Committee meeting on 10–11 December 2024.

<sup>7</sup> BusinessEurope, Priorities for the EU's social dimension 2024-2029, October 2024

Will the dynamic come from sectoral social dialogue? It is hoped so, as it has grown significantly, though its results remain limited. Urgent attention is needed to address industrial and technological transformations and their impacts on restructuring, employment location, quality and quantity and skills development, all while integrating the transitions to an environmentally sustainable economy.

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