24 November 2011

**SOCIAL DIALOGUE 20 YEARS ANNIVERSARY CONFERENCE
WARSAW, 24 NOVEMBER 2011**

THÉRÈSE DE LIEDEKERKE, MANAGING DIRECTOR

Ladies and gentlemen,

- I am very happy to celebrate with you today the twenty years of the signature of the social partners agreement which is now incorporated in Articles 154 and 155 of the European Union Treaty and is the basis of the European social dialogue as we know it today.

- I was not there when the agreement was negotiated in 1991 by ETUC, BUSINESSEUROPE and CEEP but I joined the social affairs department of BUSINESSEUROPE soon after that.

- What I will do now is to share with you my view of how the European social dialogue has developed.

- What were the different stages in its development?

Let me start with the roots of the agreement of 31 October 1991

- One of the characteristics of Europe is the existence, in the Member States of the European Union, of highly developed industrial relations systems.

- Social dialogue at the European level has gown, parallel to the process of European integration and to the evolution of EU competences. It has worked in synergy with the national systems. It seeks to help these national players to address the major economic and social challenges facing Europe. It is **not** designed to replace the actions of national social partners.

- From 1958 to 1987, European competences in the social field were extremely limited. There was no bilateral social dialogue but only tripartite consultations involving social partners and government representatives in tripartite meetings the Standing Committee on Employment and various advisory committees.

- It was only in the mid-1980s that a real bilateral social dialogue saw the light of day at European level. This dialogue was born in 1985 in a context of intense legislative activity. The "single market" programme envisaged more than three

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hundred directives and regulations. In order to achieve this ambitious programme, the Single European Act reformed the Treaty of Rome and extended the scope of qualified majority voting in the social field to health and safety at work. The President of the European Commission, Jacques Delors, invited a number of employer and worker organisations to open a social dialogue on the social aspects of establishment of the single market.

- Only three organisations, BUSINESSEUROPE (called UNICE at that time), CEEP and ETUC rose to the challenge. In 1998, UEAPME joined BUSINESSEUROPE in the employer delegation.

- We had a cautious start. Between 1986 and 1991 we adopted some 7 joint opinions on macro economic policy, on education and training and on the functioning of labour markets.

- Fresh impetus was given to European integration with the Maastricht Treaty, which opened up the way for adoption of a single currency, and extended qualified majority voting in the social field. The social partners saw in this a risk of interference with the "European social model", since the European legislator would be able to act in areas traditionally reserved for collective bargaining in the Member States. They therefore decided to create an *ad hoc* group to reflect on the place of European social dialogue in the future Treaty. The work of this group, chaired by the Commission's Social Affairs Director General, Jean Degimbe, culminated in a joint declaration known today under the name of the 31 October 1991 agreement.

- The social partners' text was taken over as it stood in a protocol annexed to the Maastricht Treaty. Later, it was incorporated in the Treaty itself. The Amsterdam enshrines:

  - an obligation on the Commission to consult the social partners prior to any legislative initiative in the social field, and
  - a right for the social partners to negotiate agreements which supersede a Commission's legislative proposals following this consultation procedure in two stages.

  - The procedure for implementation of these agreements gives a choice between an "obligatory" route (through European legislation) and a "voluntary" route (in line with the mechanisms particular to the social partners in the Member States).

What happened in the aftermath of the 31 October 1991 agreement ?

- The early 1990s saw the emergence of a European area of negotiated agreements further to the agreement reached on 31 October 1991 incorporated in the Treaty.

- Between 1991 and 1999, fourteen joint opinions were adopted (twice as many as in the preceding period), and three legally binding agreements were concluded: (one on parental leave concluded in 1995 and revised in 2009, one on part-time work in1997, and one on fixed-term contracts in 1999).

The years 2000 were characterised by a diversification of tools

- In the early years of this century, European social dialogue developments are characterised by a diversification of tools used and increased maturity.

- The end of the 1990s was marked by inclusion of a new title on employment in the Treaty of Amsterdam, which opened up the way to a new type of action in the social field at European level. It establishes a procedure for coordination of employment policies articulated around European guidelines while leaving the prime responsibility for employment policy to Member States. This method will be adopted *mutatis mutandis* in other fields such as combating exclusion or pensions reform as part of the European strategy for growth and employment.

- In 2004 and 2007, the European Union was enlarged to encompass 27 Member States. This enriched Europe with different economic, social and political situations, thereby adding another aspect to the diversification need.

- Inspired by the open method of coordination and answering to the rising diversity of Europe, the social partners launched two new negotiation experiments.

  o The first lead to the adoption of a framework of action for lifelong learning in 2002.
  o The second ended with the signature of the first agreement to be implemented by the social partners themselves: the agreement on telework. Three other autonomous framework agreements have been adopted since then on stress, on harassment and violence, and on inclusive labour markets.

- A further important step has been the adoption of the first multiannual work programme of the European social dialogue in 2003 (followed by two others and we will soon start negotiating the fourth one). With these multi-annual work programmes, the social partners take the responsibility of identifying and acting upon the main challenges facing European labour markets rather than reacting to the social agenda defined by the European Commission. Two tools illustrate this increased maturity:

  o the adoption of a joint analysis of labour market in 2007 and
  o of an autonomous agreement on Inclusive Labour Markets in 2010.

What about the social dialogue in the years to come ?

- Europe is facing an unprecedented crisis. You will hear more about the implications of this crisis for the European social dialogue in session 8 tomorrow. With 23 million people unemployed in the European Union, there is absolutely no doubt that the priority is to create the conditions that will allow to create more growth and more jobs.

To conclude, let me underline that

- Europe has every reason to be proud of the European social dialogue. 26 years have elapsed since the beginning of an autonomous European social dialogue in Val Duchesse and 20 years since the signature of the 31 October agreement. Difficulties were encountered but social partners have played an active role in transforming the European Union.

- Social Europe is a reality. It is a combination of

    o national social systems offering employees a high level of protection,
    o diversified national industrial relations,
    o an important corpus EU legislation on working conditions,
    o different tools to coordinate national employment and social protection policies.

- The social dialogue is a central element of our social model. And if the European social partners contribute to the resolution of the present crisis by agreeing on necessary economic and social reforms, I have no doubt that social partnership will remain at the heart of the decision making process.

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