



4.5.2011

NOTICE TO MEMBERS

(11/2011)

Subject: **EMPL Delegation to Warsaw on 18-19 April 2011**

Summary report

A delegation of the EP Employment and Social Affairs committee visited Warsaw on 18 and 19 April in the context of the upcoming Polish Presidency, which will take place during the second semester of 2011.

The delegation led by the Chair of the Employment and Social Affairs Committee Pervenche Berès (S-D, FR) was composed by the political groups coordinators Csaba Óry (EPP, HU), Alejandro Cercas (S-D, ES) and Gabriele Zimmer (GUE/NGL - DE) as well as Raffaele Baldassarre (EPP -IT) and Danuta Jazłowiecka (EPP-PL).

The delegation discussed the priorities of the Polish Presidency with relevant ministers, members of the Sejm and the Senate as well as the social partners.

Meetings with Ministers

Deputy Minister of labour and social policy, Radoslaw Mleczeko, indicated that family policy and demography shall be among the priorities of the Polish Presidency, an issue on which a Council declaration shall be proposed by the Presidency-trio. The legislative matters that are expected to be examined during the presidency depend largely on the timing of the Commission's presentation of the relevant proposals. Amongst the key issues are: the white paper on pensions, the revision of the directive on electromagnetic fields, the clarification of

the posting of workers, the revision of the working time directive and the reform of the structural funds.

Members made reference to the need for close cooperation and expressed their attention to legislation which is responding to the requirements of the protection of workers health and safety at the workplace as well as providing the necessary flexibility. On the issue of workers mobility all sides stressed the benefits accruing from it and Members underlined that it has to be based on the principle of equal treatment.

Minister of Regional Development Elzbieta Bienkowska, highlighted the approach taken by the Polish government in the management of structural funds as a tool for economic growth and for the implementation of the EU 2020 strategy. She referred to the positive experience of Poland in combining ERDF and ESF funds. The Minister underlined the importance attached to the new framework for the structural funds and expressed support for the role and autonomy of the ESF.

Waldemar Slugocki Undersecretary of State for Regional Development indicated that the ESF, ERDF and EGF are key issues for the Presidency and called the EP to support the link between territoriality and cohesion for the ESF and the link with the EU 2020 strategy. He expressed concern for the possible exclusion of the ESF and EGF from cohesion policy and indicated that the Polish experience shows the added value of the integrated approach. He also called for the allocation of funds to the ESF has to be strengthened and for the use of conditionality as a key concept in the optimal use of the funds. In this context he indicated that an alternative approach could be used through cross-financing which allows for the integrated use of the structural funds.

Ministerial officials defended the territorial dimension in the use of the ESF, and indicated that a results oriented approach is necessary together with the use of sound methodological base simplifying and reducing the procedural-administrative burdens in the management of the funds. They expressed the hope that the negotiation on the legislative package will start early-on, as there are new elements that have to be taken into account, such as the territorial approach, conditionality and simplification.

With regard to the EGF, emphasis was put to the need for the Commission to submit a proposal extending the exceptional measures but also addressing fundamental issues of the Regulation such as governance and management. The Minister expressed a preference to maintain the objectives as they are, but called for broader integration of the EGF with the ESF.

The EMPL Chair underlined the role played by the ESF as a tool helping to match skills to jobs and in promoting administrative capacity building. She recognised the work done by Poland in this field and called for strengthening the link between the ESF and the EU 2020 targets on combating social exclusion and poverty. She stressed the importance attached to the effective and efficient use of Structural funds and defended the autonomy of the ESF, indicating, however, that it is not possible to reduce all the funds to the same rules. Regarding the EGF, she considered that it is not helpful to integrate it to the ESF but to use it as a tool for the development of innovative actions. Members also stressed the role played by the social partners in the optimal use of the structural funds.

Meetings with the Senat and the Sejm

The delegation met with members of the family and social affairs committees of the Senate and the Sejm. The Polish members referred to the contribution of the EU social model which is currently threatened by the budgetary cuts in the context of consolidation programs. They indicated that accompanying measures have to be taken, as public services are particularly hardly affected by these cuts. The budgetary restrictions affect also the capacity to co-finance actions supported by the structural funds. They called for the ESF and the EGF to play a bigger role, not only as instruments for boosting qualifications, but also for combating poverty and supporting the most vulnerable groups. Immigration was a hotly debated topic, both in its intra-EU and extra-EU dimensions. The chairs of the Senate and the Sejm Committees indicated that they will organize a conference on Demography and expressed hope EMPL will participate.

The EMPL Chair indicated that two major issues evolve around how to reinforce social policy in the current budgetary context and to create jobs. She expressed concern for the increase of poverty and unemployment within the EU and warned against the application of the austerity measures at the level of the EU budget, as "it will destroy the instrument of cohesion and solidarity". Regarding immigration she indicated that it has dealt on the basis of equal treatment and invited the presidency to demonstrate the EU's solidarity with Mediterranean countries that are in transition towards democracy, stressing that "it is not only an issue of money but of capacity building, such as social dialogue".

Members indicated that the reform of the structural funds has to be dealt very carefully with the objective of increasing their efficiency. Referring to the WTD they stressed the dimension of reconciling work and family life, on social policy matters they underlined the importance of measures taken to combat unemployment and to fight poverty.

Meeting with the Social Partners

Numerous representatives from all sides of industry took part at the meeting with the members of the delegation. The EMPL Chair and the members stressed the importance of social dialogue in the context of democratic societies and referred to the association of the social partners to the management of cohesion funds and the definition of the national policies for growth. Regarding the national reform programs (NRP), they expressed concern about their effective implementation, as there is no participation and ownership. They referred to the example of social dialogue in Germany as a successful example of implementation and a key ingredient for productivity and growth.

Trade Union representatives indicated that progress has taken place, as shown by their consultation in the formulation of the NRP within the framework of the EU2020 strategy but a lot remains to be done. The main problems they referred to concern the fragmentation of workers' representation, the consequent absence of many organizations at local or plant level from the social dialogue at national level, where only 7 organizations participate (4 employers and 3 employees). There are very few collective agreements which cover only about 10% of the workforce, mainly state employees and most agreements are only at the level of individual undertakings and there is no automatic extension at sectoral level. Most of the 3.200 work-

councils operate without union participation and the unions are not involved in the use of the structural funds, as these are handled by the experts at the ministries.

They indicated that the government is objecting to the application of the agreement reached on minimum salary and given the level of unemployment (14%) there is no margin for negotiations on improving working conditions. Poverty affects about 24% of the households, according to official figures, while 25% of children live in poverty. Most of the funds only reach 2% of the poor and this is insufficient at a time were more people are getting laid off, so they expressed concern for the intensification of poverty.

Employers' representatives explained that the absence of unions at SME and at national level is due to the limited role the labour code acknowledges for social dialogue. They lamented the absence of regular structured-consultations and of concrete feedback. They expressed appreciation for the role of the ESF and indicated that they took part at meetings on the future of the cohesion instruments and have adopted a position on 15 March 2011. They considered that the ESF should keep its link to both the cohesion and the EU2020 strategy but called for the ESF to be used for the development of active labour market strategies and the implementation of the EU 2020 strategy. They also made reference to the recent transposition of 3 agreements on telework, stress and harassment. Responding to questions on the choice of the indicator for measuring the poverty objective, they indicated that Poland will be using the target of 45% of persons having achieved higher education, compared to the current figure of 40%.