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SOCIAL DIALOGUE

Social dialogue is a fundamental component of the European social model. It enables the social partners (representatives of management and labour) to contribute actively, including through agreements, to designing European social and employment policy.

LEGAL BASIS

Articles 151-156 of the Treaty on the Functioning of the European Union (TFEU).

OBJECTIVES

Under Article 151 TFEU, the promotion of dialogue between management and labour is recognised as a common objective of the EU and the Member States. The aim of social dialogue is to improve European governance through the involvement of the social partners in decision-making and implementation.

ACHIEVEMENTS

A. Development of (bipartite) social dialogue at EU level

According to the 1957 Treaty of Rome, one of the Commission's tasks is to promote close cooperation between Member States on the right of association and collective bargaining between employers and workers. It took many years, however, for this provision to be implemented.

The Val Duchesse social dialogue process, initiated in 1985 by Commission President Jacques Delors, aimed to involve the social partners, represented by the European Trade Union Confederation (ETUC), the Union of Industries of the European Community (UNICE) and the European Centre of Public Enterprises (CEEP), in the internal market process. A number of joint statements on employment, education, training and other social issues resulted from this process.

In 1986, the [Single European Act](#) (Article 118b) created a legal basis for the development of 'Community-wide social dialogue' and European social dialogue began to take shape, firstly with the establishment of a steering committee, which in 1992 became the Social Dialogue Committee (SDC) – the main forum for bipartite social dialogue at European level. The SDC meets three to four times a year.

In 1991, the UNICE (now BusinessEurope), ETUC and CEEP (now SGI Europe) adopted a joint agreement calling for mandatory consultation of the social partners on legislation in the area of social affairs and for a possibility for the social partners to



negotiate framework agreements at European level. This request was acknowledged in the Agreement on Social Policy annexed to the Maastricht Protocol on Social Policy, which provided for a constitutionally recognised role for the social partners in the European legislative process. At national level, the social partners were given the opportunity to implement directives by way of collective agreement.

The [Treaty of Amsterdam](#) (1997) incorporated the Agreement on Social Policy, finally establishing a single framework for social dialogue in the EU. Cross-industry results of this process were the framework agreements on parental leave (1995), part-time work (1997) and fixed-term work (1999), all of which were implemented by Council directives.

The [Lisbon Treaty](#) (2009) further underlined the role of the social partners (Article 152 TFEU), emphasising the need to facilitate dialogue while respecting their autonomy and diversity.

In the aftermath of the 2008 economic and financial crisis, social dialogue came under increased pressure and, at the same time, was weakened by its decentralisation, a decline in bargaining coverage, and state intervention in wage policy. The Juncker Commission took measures to counter this decline, including the announcement of a 'new start for social dialogue' at a high-level conference in March 2015 and a quadripartite agreement, signed in June 2016 by the social partners, the Commission and the presidency of the Council of the European Union. This agreement reaffirms the fundamental role of European social dialogue in the EU's policymaking process, including in the European Semester.

The 2017 [European Pillar of Social Rights \(EPSR\)](#) also provides for respect for the autonomy and the right to collective action of social partners and recognises their right to be involved in designing and implementing employment and social policies, including by means of collective agreements. The von der Leyen Commission has repeatedly reaffirmed this commitment to social dialogue in communications such as those on the European Green Deal and on a Strong Social Europe for Just Transitions, in the annual sustainable growth strategy and country-specific recommendations, and in the objectives for the Recovery and Resilience Facility. In May 2021, the Porto Social Commitment (signed by the Commission, Parliament and European social partners) and the European Council Porto Declaration both underlined the key role of social dialogue. The Commission published a report ([the Nahles report](#)) on strengthening social dialogue in February 2021, which fed into the action plan implementing the EPSR presented in March 2021. In line with the action plan, the Commission presented guidelines for solo self-employed persons to ensure that competition law does not stand in the way of collective agreements to improve their working conditions. Furthermore, the Commission proposed a [Council recommendation](#) setting out how EU countries can further strengthen social dialogue and collective bargaining at national level, and issued a [communication](#) on reinforcing and promoting social dialogue at EU level.

[The directive on adequate minimum wages in the EU](#) strengthens the use of collective bargaining in wage setting and requires Member States that have a collective bargaining coverage rate below 80% to establish an action plan to promote collective bargaining.



B. Achievements of social dialogue at EU level

Under Article 154 TFEU, **the** Commission must consult the social partners before taking any action in the field of social policy. The social partners may then choose to negotiate an agreement among themselves instead. They have nine months to negotiate, after which they may:

1. Conclude an agreement and jointly ask the Commission to propose a Council implementing decision; or
2. Conclude an agreement and implement it themselves, in accordance with their own specific procedures and practices and those of the Member States ('voluntary' or, later on, 'autonomous' agreements); or
3. Decide that they are unable to reach an agreement, in which case the Commission resumes work on the proposal in question.

Article 153 TFEU also gives Member States the possibility to entrust the social partners with the implementation of a Council decision on a collective agreement signed at European level.

From 1998, following [Commission Decision 98/500/EC](#), sectoral social dialogue was also vigorously developed. Several committees were created in the main economic fields and produced valuable results. Three European agreements – on the organisation of working time for seafarers (1998), on the organisation of working time for mobile workers in civil aviation (2000) and on certain aspects of the working conditions of mobile workers in interoperable cross-border services in the railway sector (2005) – were concluded and implemented by means of Council decisions. The [Agreement on Workers' Health Protection through the Good Handling and Use of Crystalline Silica and Products containing it](#), signed in April 2006, was the first multi-sector agreement. Other sectoral agreements followed and were implemented by means of Council directives: an agreement on certain aspects of the organisation of working time in inland waterway transport ([Council Directive 2014/112/EU](#)); an agreement on the protection of health workers from injuries and infections caused by medical sharps ([Council Directive 2010/32/EU](#)); an agreement in the sea fisheries sector ([Council Directive \(EU\) 2017/159](#)); and an agreement between social partners in the maritime transport sector ([Council Directive \(EU\) 2018/131](#)).

However, for other agreements, the Commission decided not to propose a Council decision.

In April 2012, the social partners in the hairdressing sector concluded an agreement on health and safety guidance for hairdressers and requested a Council implementing decision. This was opposed by some Member States, however. In June 2016, the hairdressing sector signed a new European framework agreement on occupational health and safety, again requesting implementation by means of a Council decision. The Commission decided to conduct a proportionate impact assessment before proposing a Council decision. In an open letter to President Juncker, the social partners objected to the use of the impact assessment process to justify not referring the agreement to the Council. In early 2018, the Commission informed the social partners that it would not propose a Council decision and proposed instead to support the



autonomous implementation of the agreement through an action plan. The social partners agreed and in December 2019, a set of activities to support the autonomous implementation of the agreement were agreed between the hairdressing social partners and the Commission.

On 5 March 2018, the Commission informed the central government social partners that it would not propose their 2015 agreement on information and consultation rights to the Council for implementation as a directive ([2.3.6](#)). Following legal action by the European Public Service Union (EPSU), the Court of Justice of the European Union ruled on 24 October 2019 that the Commission's right of initiative entitled it to decide whether or not to make social partner agreements legally binding in all EU Member States. The EPSU appealed but the appeal was dismissed in September 2021.

In line with the second option listed above, the agreement on teleworking (2002) was the first agreement to be implemented as an 'autonomous agreement'. It was followed by other autonomous agreements on work-related stress and the European licence for drivers carrying out a cross-border interoperability service (both 2004), harassment and violence at work (2007), inclusive labour markets (2010), active ageing and an intergenerational approach (2017), and digitalisation (2020).

Thirdly, in a number of cases, the social partners were unable to reach an agreement. For example, negotiations on a framework agreement on temporary agency work ended in failure in May 2001. Thus, in March 2002, the Commission proposed a directive based on the consensus that had emerged among the social partners, and in 2008, the Temporary Agency Work Directive ([Directive 2008/104/EC](#)) was adopted. Similarly, after the social partners expressed their unwillingness to engage in negotiations, the Commission proposed a revision of the Working Time Directive ([Directive 2003/88/EC](#)) in 2004. Parliament, the Commission and the Council failed to reach an agreement in 2009 and a year-long negotiation process between the European social partners also broke down in December 2012 owing to major differences over the treatment of on-call time. In 2013, the Commission resumed the review and impact assessment process, with a public consultation in 2015 and an implementation report in 2017, as well as an [interpretive communication](#). Some aspects relevant to working time have since been included in other legal acts, such as the Work-Life Balance Directive, the Transparent and Predictable Working Conditions Directive and the amended Driving Time Regulation.

C. Tripartite social dialogue

From the very start of European integration, it was deemed important to involve economic and social stakeholders in drawing up European legislation. The Consultative Committee for Coal and Steel and the European Economic and Social Committee bear witness to this. Since 2003, the Tripartite Social Summit for Growth and Employment has brought together high-level representatives of the incumbent EU Council presidency, the two upcoming presidencies, the Commission and the social partners with the aim of facilitating ongoing consultation. It meets at least twice a year, before the spring and autumn European Council summits.



ROLE OF THE EUROPEAN PARLIAMENT

Parliament has taken the view that social dialogue is an essential element in the traditions of the Member States. Parliament's Committee on Employment and Social Affairs has extended frequent invitations to the social partners at EU level to present their views. The Lisbon Treaty introduced the right for Parliament to be informed about the implementation of collective agreements concluded at Union level (Article 155 TFEU) and about Commission initiatives to foster cooperation between the Member States (Article 156 TFEU), including in matters relating to the right of association and collective bargaining.

In its [resolution of 13 March 2014 on employment and social aspects of the role and operations of the Troika](#) and again in its [resolution of 15 February 2017 on single market governance within the European Semester 2017](#), Parliament called for the reinforcement of the role of social partners in the new economic governance process. In the same vein, in its [resolution of 19 April 2018 on the proposal for a Council decision on guidelines for the employment policies of the Member States](#), Parliament called on the Commission and the Member States to step up concrete support for genuine social dialogue, going beyond mere consultation. On 16 April 2019, in its [resolution on the directive on transparent and predictable working conditions](#) and its [resolution on the proposal for the establishment of a European Labour Authority](#), Parliament reiterated that the autonomy of the social partners, their capacity to act as representatives of workers and employers and the diversity of national industrial relations systems should always be respected. The fundamental role of the social partners and social dialogue was also recalled by Parliament in its [resolution on democracy at work](#) of 16 December 2021. In this resolution, Parliament calls on the Commission and the Member States, together with the social partners, to commit to reaching a collective bargaining coverage rate of 90% by 2030.

Since the outbreak of the COVID-19 crisis, Parliament has stressed the need for proper social dialogue at all levels in order to successfully implement the EU recovery plan. This is exemplified by the [resolution of 22 October 2020 on the employment and social policies of the euro area 2020](#) and the [resolution of 11 March 2021 on the European Semester for economic policy coordination](#). These resolutions underline that social dialogue and collective bargaining are key instruments for employers and trade unions to establish fair wages and working conditions, and that strong collective bargaining systems increase Member States' resilience in times of economic crisis. Parliament also repeated earlier calls for support for capacity-building and greater involvement of the social partners in the European Semester, and called for the country-specific recommendations in the future to include an outcome regarding the involvement of social partners in wage-setting mechanisms. In its resolution on the European Semester, Parliament proposed that fairness conditions should be considered for companies accessing public funds, requiring them to respect collective bargaining and workers' participation or co-determination in company decision-making processes.

In its [resolution of 2 February 2023 on European Works Councils](#) (EWCs), Parliament stressed that it is essential to strengthen EWCs and their ability to exercise their information and consultation rights, as well as to increase their number. Furthermore,



it reiterated its call on the Commission to bring forward a proposal for the revision of [Directive 2009/38/EC](#) on EWCs with a view to clarifying its objectives, definitions and procedures and strengthening the right of employee representatives to information and consultation, particularly during restructuring processes. In its [resolution of 1 June 2023](#), Parliament called on the Member States to review and repeal any national legislation that prevents collective bargaining. It urged the Commission to enforce the social clause in the existing EU Public Procurement Directive. It also called on the Commission and Member States to consult the social partners on ecological matters and on the just transition as standard practice throughout the policymaking cycle.

For more information on this topic, please see the [website of the Committee on Employment and Social Affairs](#).

Monika Makay
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