



# National trade union involvement in the European Semester

**Belgium case study**

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## I. Industrial relations and EU pressure

### Social partnership cluster

- Union density at an intermediate level (54.2%).
- High extension of collective bargaining.
- Very structured process of collective bargaining , with a central level at the top covering the whole of the private sector.

### Social dialogue in the turmoil

- Trend for greater involvement by the government
- Tightening of the collective bargaining process since 2014
- Usefulness and the effectiveness of the existing social dialogue model openly questioned by policy makers

### EU pressure: moderate to intermediate

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## Evolution of social CSRs addressed to Belgium since 2011



		2011	2012	2013	2014	2015	2016	2017
Wages	<u>Reviewing wage</u> indexation	X	X	X	X			
	Reviewing wage-setting system -align with productivity developments	X	X	X	X	X	X	
Employment protection legislation	<u>Adjusting Employment Protection Legislation</u>						X	
Labour market participation	<u>Enhancing participation of women</u>							X
	Enhancing participation older workers, promoting active ageing, LLL (includes also vulnerable groups)	X	X	X		X	X	X
	Reducing tax disincentives for second/ low income earners						X	X
Youth employment	<u>Youth employment / guarantee</u>					X		X
	<u>Apprenticeships / work-based learning</u>							
	Facilitating transition education / school to work			X			X	
	Reducing school/education "drop outs"	X	X	X	X		X	
Pensions	Explicit link between pensionable age and life expectancy	X	X	X	X	X	X	
	<u>Reducing early retirement</u>	X	X	X	X	X		
	<u>Pension reform</u>						X	X
Tax	Shift away from tax on labour (incl. attention for low income earners)	X	X	X	X	X	X	X
<b>Total</b>		<b>7</b>	<b>7</b>	<b>8</b>	<b>6</b>	<b>6</b>	<b>9</b>	<b>6</b>

Own adaptation from Clauwaert 2018, 2015

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## II. Mechanisms for access and resources

### Mechanisms for access at national level

- through the National Labour Council and the Central Economic Council
- Trade unions informed by Belgian representatives in EMCO/SPC
- Consultation between the publication of the draft CSRs and the discussion thereof in the Council committees and bodies.

### Mechanisms for access at European level

- Regular meetings with COM for the drafting of the Country Report
- TUSLOs network
- European level more valued in relation to the national level

### Barriers and success factor for TU involvement

- Weak involvement at national level, especially since 2014
- Short deadlines to react to key documents  
of consensus between TU and employers' organisations

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## Ressources

- Organisational ressources : demonstrated by the achievements over time of the national social dialogue and by the undertaking of numerous common campaigns, demonstrations and strikes.
- Cognitives ressources : through the National Labour Council and the Central Economic Council ; specific units on European affairs within the TUs; via TUSLO.

## Usefulness and quality of the interactions between TU and EC / national government

- Process more informative than participatory
- Improvement at European level
- Deadlines too tight to react and little information exchanged
- Few opportunities to modify key documents

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### III. The linkages between the Semester and national social dialogue

- Almost every key theme in the Semester corresponds to themes addressed in national social dialogue.
- Advisers directly involved in the process are well aware of the European Semester messages. Their colleagues are informed by the key people within the organizations (internal notes, training sessions).
- Trade unions use some figures and messages from the Country Report to support the arguments they put forward in the social dialogue. Useful and valuable source of information. Very hard for the government or the employers to reject facts supported by the EC analyses.

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## IV. Strategies for involvement

### Insider strategic approach rather than outsider

- Mainly focused on policy makers, at both national and European levels, through the organisation of meetings.
- At EU level, trade unions try to influence the COM by presenting their own alternative Country report (discussed with the ESO and presented to the members of the Belgium Desk) .

### Determinants of these strategies

- Ensure that the Commission refrains from recommending questionable political measures or pointing out problems they do not recognize.
- Involvement is a way of highlighting their own concerns at the EU level.
- Convince national policy makers not to follow the recommendations they are unhappy with, and to support those defended by the unions.

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## V. Influence des syndicats dans le Semestre européen

### Influence on the outputs

- Very limited influence on the drafting of the NRP: possibilities for making changes almost non-existent, as the government is reluctant to question the content.
- More important to influence the content of the Country Report through the TU common position paper (carefully analysed by the COM services, to highlight the points on which there is convergence with their analysis, and the divergent points where there are significant disagreements).

### Influence on the outcomes

- No influence as CSRs are subject to political discussions that fall outside the trade unions' area of influence

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## VI. In depth case study: involvement of TU in the centralised wage setting

- From 2011 to 2015, CSRs addressed to Belgium each year concerning the need to reform the wage setting and the indexation mechanisms in order to make wage setting responsive to productivity developments
- 2016 : mention of the need to ensure that wage progression is in line with productivity while asking to undertake the announced reform of the 1996 Law fixing the wage setting procedures
- 2018 : no reference to the wage setting mechanism. For the Commission the “Belgian wage setting problem” is solved.
- GVT declaration openly refers to commitments related to the CSRs from the European Semester and affirms the Belgian government's willingness to accelerate the reforms planned in the NRP

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- Results: wage freezing and legislative acts amending key parameters of the wage bargaining process, including the revision of the 1996 law on wage norm. New law (2017) allows the government to take corrective measures in order to fix detrimental cost-competitiveness developments.
- 2017-2018: maximum margin by which wage costs may increase is set at 1.1% above the index that keeps wages in line with inflation. New wage norm transposed by a national collective agreement, making the rule binding for all employers and employees in the Belgian private sector.
- 2019-2020: maximum margin by which wage costs may increase is set at 0.80%

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