ETUC meeting debates Euro-Plus Pact, economic governance and attacks on trade union rights in Romania

The ETUC's collective bargaining committee met on 4 April with over 30 participants from national confederations in 16 countries and five representatives from the European industry federations.

The first part of the meeting covered the latest developments on the **Euro-Plus Pact and economic governance** and their implications for collective bargaining (the presentation from ETUC advisor Ronald Janssen is below).

While there were some positive elements to report - respect of national traditions of social dialogue and collective bargaining autonomy - there was still concern that the Pact implies setting wage norms, with continuing debate about decentralisation of bargaining, ending indexation systems and urging wage moderation on the public sector as a model for the private sector.

In terms of economic governance, there had been changes to the proposals on the indicator by which countries would be assessed. One key indicator would be unit labour costs with an alert mechanism based on unit labour costs increasing by more than 9% (12% for non-eurozone) over a three-year period. Another new indicator was export market shares.

The ETUC remained concerned that Germany, with long-term wage moderation, continued to be seen as the model for the rest of Europe to follow and that the pressure would be on wages to improve competitiveness rather than having a more balanced policy that looked at investment, innovation and also took account of profits.

Corinne Vargha of the International Labour Office (ILO) gave a brief presentation on **Romania** (see below) where there had been changes to the Labour Code and further changes planned to legislation on social dialogue and collective bargaining. An ILO assessment (see below) of the changes highlighted concerns about changes to the law on contracts and weaker employee rights in cases of dismissal.

The ILO was also concerned about changes to rules on trade unions and collective agreements that would make it more difficult for trade unions to organise and would undermine the current structure of sectoral agreements.

While Romania was an example of a particularly bad case of a government pressing for increased labour market flexibility, the ILO warned that similar developments were taking place elsewhere - in Greece, Czech Republic, Slovakia and Russia. While the influence of the International Monetary Fund could be seen in some countries, the ILO thought that the American Chamber of Commerce was also a major and influential lobbying organisation.

The ILO also circulated a note (see below) from its Brussels office expressing its opinion on interference in collective bargaining in the crisis.

- ILO report on Romania
- ILO Note on Crisis and Collective Bargaining
- ILO on Romania

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