



Public service trade unions

Effective intervention in the European Semester

Case study Italy

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Outline of the talk



1. Methodology and context (economic and political situation)
2. Key messages from the Semester on public sector since its start (2011)
3. Focus on involvement of public sector trade unions in the 2018/19 cycle
4. Understanding public sector trade union involvement in the ES: enabling and constraining factors
5. Recommendations for a meaningful involvement of public sector trade unions in the ES

1. Methodology

Qualitative analysis based on:

- **Document analysis** (AGS, CRs, CSRs, NRPs)
- Two rounds of semi-structured face-to-face **interviews**
 - Representatives of the main trade union confederations: CGIL, CISL and UIL
 - The Ministry of Economy and Finance
 - A European Semester Officer (ESO)
- 9 interviews in total (10/'18 and 07/'19)

Context (1)

Italian economy hit hard by the **economic crisis:**

- **Excessive macro-economic imbalances** (preventive arm of the MIP **in-depth reviews** since 2012)
- **Excessive deficit procedure** (closed)

Unstable **political context:**

- Coalition government (during the interview period: 5SM + the League)
- Recent change in government (September 2019)

Context (2)

Trade union landscape:

- 3 Main TU Confederations: **CGIL, CISL and UIL**
- **'Medium'** union density: above 37%
- **'Southern model'** of industrial relations:
 - state intervention in industrial relations is frequent
 - role of the social partners not institutionalised
 - social partners involved on an irregular, often politicised, basis
- **High level of centralization** of collective bargaining
 - arrangements at sectorial/industrial level
- State employees and education sector represented by **sectoral trade unions** (mostly federative sections of CGIL, CISL and UIL)

2. Key messages from the European Semester up to 2017/2018 (1)

- **Reduction of public deficit (and debt)**
- But (2014): preserving growth-enhancing spending like R&D, innovation, education and essential infrastructure projects

Public Sector:

- Opening up the services sector to **further competition, also in public services and health sector**
- **Improve efficiency of public administration:** use of EU funds, reconsider the distribution of competences between the levels of government

Key messages from the European Semester up to 2017/2018 (2)

- **Increase transparency of the public administration** and strengthen the **fight against corruption**

Justice:

- **Reorganisation of the civil justice system**, to promote the use of alternative dispute settlement mechanisms
- **Reduction in the length of case handling**



Key messages from the European Semester up to 2017/2018 (3)

! Education (prioritized):

- Improve the **labour-market relevance of education**
- Tackle high **school dropout rates** and improve the **quality of education**
- Improve the **professional development of teachers**
- Allocate **funding** to **universities and research**

Key messages from the European Semester, 2018/2019 (1)

Continuing focus on public sector:

- **Improve the effectiveness of public administration**, including by **investing in the skills of public employees**, by accelerating digitalisation, and increasing the efficiency and quality of local public services.
- **Address restrictions to competition**, particularly in the retail sector and in business services

Key messages from the European Semester, 2018/2019 (2)

Education:

- **Improve educational outcomes**, also through adequate and targeted investment, and **foster upskilling**, including by strengthening **digital skills**



Justice:

- **Reduce the length of civil trials** at all instances
- Improve the effectiveness of the **fight against corruption**

At the same time... continued stress on fiscal sustainability

- Nominal reduction of net primary government expenditure

3. Involvement of public sector TU in the 2018/2019 Semester – Key Findings (IT)

1. **Low involvement of public sector TUs in the Semester**

Mostly through Confederations

2. **Increased awareness of the ES tools and contents**

But only at the peak-level (Confederations) – far less at the level of federations

3. **Slight improvement of involvement TU in the European cycle of the Semester**

Low level of interaction with the government about the Semester

Involvement of public sector TU in the 2018/2019 Semester – National cycle

Government: “the missing actor” in the national cycle of the Semester

Few interactions with government and ministries:

- Social dialogue more generally was reported deteriorating during the “Conte I Cabinet” (June 2018- August 2019)
- Ministry of Economic and Finance refers to overtly “political” (rather than technical) contributions from TUs
 - Making these contributions less relevant for usage in Semester (?)

Involvement of public sector TU in the 2018/2019 Semester – Key Findings (IT)

4. **Selective usage of (some parts of) the CSRs in interactions with national governments**

- when EU messages are in line with trade unions' priorities
e.g. shifting budget from labour to capital, strong CSR's about investment in education
- **Semester in Italy could be moving “from an ‘intrusion’ to a 'window of opportunity’” (Pavolini and Natili, 2019)**
- **But usage of Semester messages is rare and with very little (or no?) effective impact**

Involvement of Public Sector TU in the 2018/2019 Semester – European Cycle:

Interactions with EU institutions: improved involvement with ETUC (TUSLO!), EPSU and the ESO

Involvement in European cycle occurs through:

- **Structured interaction with Commission:**
 - Fact-finding mission involving the ESO
 - Presentation of Country Report by the ESO, stakeholders invited to attend
- **Meetings with DG EMPL in Brussels**
- **Meetings and exchanges with ETUC and EPSU**

4. Enabling and constraining factors: involvement of TUs in the Semester (1)

In spite of somewhat improved interactions in the EU cycle of the Semester, it is difficult to detect **any concrete impact of Italian TU's** on the process (most recent or earlier ES cycles)

- Recent withdrawal of the CSR on the decentralisation of collective bargaining and wage setting
- *Allegedly* after repeated interactions between TU's and the European Commission?

Enabling and constraining factors: involvement of TUs in the Semester (2)

Some **elements favoured the social dialogue in the ES:**

- **The increasingly important role of the TUSLOs** (also recognised by the ESO): connecting national TUs with Commission, mostly through ETUC
- Introduction of the **European Social Pillar and Social Scoreboards into the Semester** (more relevance to social issues) and “**Annex D**” of CR (investment guidance on cohesion policy)
- Shared line of argument **between the three main Confederations on economic policy** (signature of “Joint Platform” on the ‘Draft Budgetary Plan’)

Enabling and constraining factors: involvement of TU's in the Semester (3)

While, some other **elements hampered the social dialogue in the ES:**

- **Unstable political context:** internal tensions between the two main parties of Conte I Cabinet (5SM and the League)
- **Lack of a specific arena for dialogue** about the Semester and absence of structured interaction at all the different key stages of the Semester
- **Lack of time for processing information and providing opinions**
For instance, during the Commission's fact-finding missions
- Main interactions at the **Confederal** level and limited involvement at Sectoral level

5. Initial recommendation for a meaningful Involvement of TUs in the Semester

1. Establish a **structured dialogue** at all the different stages of the **European Semester**
2. Ask the **Commission to propose guidance to the Members States** about the involvement of social partners in the Semester
3. Increasingly **involve the public sector and education federations in key stages of the Semester** (*but how*)?
4. Strengthen the role of the **TUSLO**: a) selection and b) visibility at sectoral level

→ Your suggestions?

Your feedback and questions most welcome!

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