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# **Public services and the European Semester 2017-2019**

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- Introduction – context and concepts
- Public services in the European Semester 2017-2019
- The European Semester and social dialogue





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# **Introduction:**

# **context and concepts**



A system of ‘economic governance and social policy co-ordination’ (European Commission)

European Semester	
Economic governance	Social Policy Co-ordination
Hard power (legislative power + sanctions)	Soft power (areas of national competence)
Stability and Growth Pact Macroeconomic Imbalances Procedure Excessive Deficit Procedure	???



A form of ‘governance architecture’ (Berra and Radaelli, 2011)

- organisational
- ideational

Those [European Semester] documents ‘*become the truth about the good and bad of the Danish labour market*’ (Denmark, TUSLO)



- President Juncker's 'Social Triple A' (2014)
- 'A new start for Social Dialogue' (2016)
- The European Pillar of Social Rights (2017)
- A 'socialised' European Semester (2018)



- Researchers have identified a trend over time that suggests a ‘re-balancing’ of the Semester
- Not always a simple distinction between ‘economic’ and ‘social’ CSRs
- ‘Social’ CSRs are ‘second order’ (subordinate to ‘economic’ CSRs)
- ‘Social’ CSRs can be ‘market making’ or ‘market correcting’ (Copeland and Daly, 2018)
- Comparisons difficult over time and between countries
- Strong focus on CSRs – is this right?
- Impact can be tangible and/or ideational





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# **Public services and the European Semester:**

## **2017-2019**





- State of the European Union address *‘we are now in the fifth year of a recovery that really reaches every Member State’*
  - on-going need for tight money (‘fiscal buffers’)
  - ‘resilience’
  - ‘sustainability’
- New feature in 2018 – the Pillar of Social Rights embedded in the Semester (Joint Employment Report and Country Reports)

**Table 1. Summary of 12 headline indicators of the Social Scoreboard**

	Equal opportunities and access to the labour market					Dynamic labour markets and fair working conditions			Public support / Social protection and inclusion			
	Early leavers from education and training	Gender employment gap	Income quintile ratio	At risk of poverty or social exclusion rate	Youth NEET rate	Employment rate	Unemployment rate	GDHI per capita growth	Impact of social transfers on poverty reduction	Children aged less than 3 years in formal childcare	Self-reported unmet need for medical care	Individuals' level of digital skills
Year	2016	2016	2016	2016	2016	2016	2016	2015	2016	2015	2015	2017
<b>Best performers</b>	HR, LT, SI	LT, LV, SE	CZ, FI, SI, SK	CZ, DK, FI, NL	DK, LU, NL, SE	DE, DK, NL, SE, UK	CZ, DE	PL, RO	AT, DK, FI, IE	BE, DK, LU, PT, SE		FI, LU, NL, SE
<b>Better than average</b>	AT, CZ, DK, EL, IE, LU, PL	AT, BG, DK, FR, PT, SI	AT, BE, DK, EE, FR, HU, MT, NL, SE	AT, DE, HU, IE, MT, SE, SI, SK	BE, CZ, EE, MT, SI	AT, CZ, EE, HU, LT, MT, SK	DK, HU, LU, MT, NL, PL, RO, SK, UK	BG, DK, EE, LV, LT, SE	BE, CZ, FR, HU, SE, SI, UK	AT, ES, FR, NL	AT, CY, CZ, DE, DK, ES, FR, LU, MT, NL, SE, SI	AT, CZ, DE, MT, UK
<b>On average</b>	BE, DE, EE, FI, FR, LV, NL, SE, SK, UK	DE, EE, ES, HR, IE, LU, NL, UK	CY, DE, HR, IE, PL, UK	BE, EE, PL, PT, UK	FI, FR, HU, IE, PL, PT, SK, UK	CY, FI, FR, IE, LV, PL, PT, SI	BE, BG, FI, FR, IE, LT, LV, SE, SI	BE, CZ, DE, IE, FR, HU, NL, SK, FI, UK	CY, DE, MT	DE, EE, FI, IE, IT, LV, SI, UK	BE, BG, HR, HU, IE, LT, PT, SK, UK	BE, EE, ES, FR, LT, SI, SK
<b>Good but to monitor</b>		FI		FR, LU	AT, DE		AT		NL			DK
<b>Weak but improving</b>			RO	LV	IT	ES	CY, ES, HR		EE, LV	RO	LV	CY
<b>To watch</b>	BG, CY, HU, IT	BE, CY, CZ, HU, PL, SK	LU, LV, PT	CY, ES, HR, IT, LT	ES, LT, LV	BE, BG, LU, RO	EE, IT, PT	ES, IT, AT, PT, SI	ES, HR, LU, PL, PT, SK	BG, CY, EL, HR, HU, LT, MT	FI	EL, HU, IE, LV, PL, PT
<b>Critical situations</b>	ES, MT, PT, RO	EL, IT, MT, RO	BG, EL, ES, IT, LT	BG, EL, RO	BG, CY, EL, HR, RO	EL, HR, IT	EL	EL, CY	BG, EL, IT, LT, RO	CZ, PL, SK	EE, EL, IT, PL, RO	BG, HR, RO

Note: On 19 January 2018, GDHI per capita growth not available for HR, LU and MT; individuals' level of digital skills for 2017 not available for IT.



- Pensions – 16 countries
  - 14 with links to sustainability
- Healthcare – 12 countries
  - 6 linked to sustainability issues
  - 2 workforce related
- Long term social care – 3 countries
- Education and training - 14 countries
  - Mostly vocational educational and training
  - 2 workforce related
- Early Childhood Education and Care – 4 countries
  - 3 linked to women's participation in labour market
- General exhortation to improve public services efficiency – 9
- Housing – 4 countries (but not social housing)





- State of the European Union address *‘Europe has largely turned the page on an economic and financial crisis which came from outside, but which cut deep at home’*
- ***I would like the European Union to take better care of its social dimension (emphasis in original). Those that ignore the legitimate concerns of workers and small businesses undermine European unity. It is time we turned the good intentions that we proclaimed at the Gothenburg Social Summit into law.***
- New feature in 2019 – the focus on investment



- Reports promising economic and jobs growth, but . . .
  - Real wages generally below pre-crisis levels
  - Modest improvement in income inequality (but greater than pre-crisis levels)
- Strong statements on the need to increase investment in education in some Member States and to improve access to healthcare.
- ‘Critical’ situations – 39 instances in 13 countries. 117 instances in bottom three categories (22%)



- Pensions – 14 (16) countries
  - 13 with links to sustainability
- Healthcare – 15 (12) countries
  - 10 linked to sustainability issues
  - 6 access
  - 3 outcomes related
- Long term social care – 6 (3) countries
- Education and training - 20 countries
  - 16 linked to vocational educational and training
  - 4 Roma related and 3 linked to support for migrants
- Early Childhood Education and Care – 7 (4) countries
- Investment related – digitalisation and transport
- Social housing – 2 countries





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# The European Semester and social dialogue



- Information
  - Information providing/communication
- Consultation
  - Opinions sought, but no commitment to act
- Participation
  - Deeper involvement with evidence that outcomes reflect the input of social partners
- Co-decision
  - Collaborative and consensual approach to generating outcomes

2011-13

Information

2014-15

Consultation

2016-17

Institutionalisation

improved consultation processes are embedded  
and formalised

2017 -

???





## A Eurofound perspective

*All the parties concerned should make more efforts to clarify from the beginning the approach to the elaboration of the NRP, its nature, content and expected implications. This common understanding would increase the social partners' ownership of the NRP and of the reforms included in it [my emphasis], either totally or partially.*

(Eurofound, 2018, p. 2)



- 2017-18
  - 6 recommendations
    - 4 specific
    - 2 general
- 2018-19
  - 6 recommendations
    - 3 specific
    - 3 general



The report\* suggests effective social dialogue can promote social cohesion, reduce conflict, improve policy design and implementation and generate better social outcomes. However, despite these benefits the report recognises that social dialogue is uneven across the EU and '*weak in several cases*' (p. 11). The report acknowledges the need for social dialogue practices to reflect traditions in Member States but argues '*there is clear scope for improving the capacity of social partners and providing them with an adequate framework for predictable and timely consultation including in all key stages of the European semester*' (p. 11).