

The European Semester – the challenges for public service trade unions

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Introduction

The European Semester – the European Union’s annual process of economic and social policy coordination – has posed significant challenges for public service trade unions since its inception in 2011. The initial focus on fiscal consolidation has shifted but “fiscal responsibility” and the strictures of the Stability and Growth Pact remain at its core, with major implications for public investment and public finances.

The question has then been how the trade union movement at both European and national levels can ensure that the voice of public service workers is heard and listened to in this process. This is not just about trade union influence and involvement in the Semester itself but also about the relationship between trade unions representing public services and their national confederations and the European Trade Union Confederation which are the main direct participants in the process.

In order to help answer these questions, EPSU – the European federation for public service workers – the ETUCE European education workers’ federation, the University of Nottingham and the European Social Observatory (OSE) successfully applied for funding from the European Commission to run a two-year project – Public service trade unions: effective intervention in the European Semester.

The project involved two major conferences in 2018 and 2019, a literature review, analyses of the 2018 and 2019 Semester cycles and five country case studies covering Denmark, France, Ireland, Italy and Latvia. All reports are available on the [EPSU website](#).



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The European Semester and public services

The European Semester has been characterised as a form of ‘governance architecture’ (Borrás and Radaelli, 2011) with a pivotal role in monitoring the progress of Member States in relation to key European Union priorities – as such it can be seen *both* as a form of economic governance *and* social policy co-ordination. Understanding the relative balance between the economic and social dimensions is necessarily complex and strikes at the heart of the ‘asymmetric on-going battle of ideas within the EU’ (Crespy and Vanheurverzwijn, 2017, p.1).

It is widely recognised that in the early years the focus of the Semester process was on imposing financial discipline as defined by the requirements of the Stability and Growth Pact (Costamagna, 2013, Stevenson *et al.* 2017). However, more recently some have argued that there is evidence of a ‘re-balancing’ of the Semester’s economic and social priorities (Becker, 2015) with Zeitlin and Vanhercke (2018) arguing there is evidence of ‘a partial but progressive “socialisation” of the Semester both in terms of its substantive content and its governance procedures’ (p. 152). Evidence of this ‘social turn’ can be located in a number of developments including President Juncker’s commitment to a ‘Social Triple A’ (European Commission, 2016a), a ‘new start for social dialogue’ (European Commission, 2016b) and the commitments made at the Gothenburg Social Summit in 2017 to establish the European Pillar of Social Rights, the implementation of which has been put high on the agenda of the new von der Leyen Commission. Although the extent to which any change can be considered meaningful remains contested (Graziano and Hartlapp, 2019).

In the two sections that follow we present an analysis of the 2018 and 2019 Semester cycles with a specific focus on the extent to which public service issues feature in the process. In the first of these sections we present a horizontal analysis of the Semester outcomes across all countries participating in the Semester, and the second section examines how public service issues feature in the experience of the five countries – Denmark, France, Italy, Latvia and the Republic of Ireland – that were scrutinised in the EFIS-TU project.

As with other research on the European Semester there is an inevitable focus on the ‘output’ of the process, namely the Country-specific Recommendations (CSRs). The analysis presented below is based on a textual analysis of all the CSRs agreed in 2018 and 2019. However, it is important to recognise that while the CSRs are clearly crucial they

remain only one part of the total process. For example, in recent years the main ‘package recommendations’ have both reduced in number and length, but as a consequence the notes of explanation/recitals have become more significant, leading some to claim they contain ‘hidden recommendations’ (Clauwert, 2018 , p.16). These changes in the Semester make any simple comparison over time more difficult and this is an important qualification when conducting any analysis

The 2018 and 2019 Semester cycles

In the 2018 and 2019 European Semester cycles the European Commission generally presented a more optimistic analysis of the overall economic outlook, although with some caveats. In the 2018 State of the European Union address President Juncker was able to claim ‘we are now in the fifth year of a recovery that really reaches every member state’ (Juncker, 2017) although it is acknowledged throughout Semester documentation that the recovery remains uneven, both between and within countries.

This experience of growth allows the Commission to claim that space is opening up to increase investment although it remains cautious in its attitudes towards increasing public investment (where investment levels have been most affected by the economic crisis). On-going concerns about public finances in several Member States, a deteriorating global economic environment and the implications of demographic shifts and ageing populations all contribute to a hesitancy in the Commission’s recommendations in relation to public investment, let alone ‘social investment’.

With regard to public services, and public service workers in particular, concerns about ageing populations feed directly into recommendations relating to pensions, health provision and long term social care. For example, in 2019 there were 14 countries that received a CSR relating to pension provision (16 in the previous year) and in all but one of these cases the CSR highlighted the need to address sustainability issues, typically by restricting access to benefits (through raising retirement ages and/or limiting access to early retirement). Although not directly a public service issue public service workers are often the recipients of publicly managed pension schemes and it seems likely that debates about the coverage and adequacy of pension provision is likely to be an on-going issue for public service workers for some time to come.

One consequence of this cautiously optimistic outlook, albeit with several caveats identified above, is that narrow CSRs focused on public finances and requiring actions to ensure compliance with Stability and Growth Pact rules are typically less common than in previous years. For example, in 2017 no fewer than 11 countries received an opening CSR containing the wording “Pursue its fiscal policy in line with the requirements of the preventive arm of the Stability and Growth Pact, which translates into a substantial fiscal effort [emphasis added] for 2018”, with another seven countries receiving a CSR with similar wording. In 2018 and 2019 there is much less evidence of CSRs of this type. At the same time, the embedding of the European Pillar of Social Rights within the Semes-

ter, and specifically the reporting of the Social Scoreboard within the Joint Employment Report, contributes to a sense of some re-balancing of economic and social priorities within the Semester. In 2018 the Social Scoreboard provided scores for 12 of the 20 EPSR principles, and in 2019 two further indicators were added.

Within both the 2018 and 2019 Semesters the areas of public service that feature most prominently are health and education. In 2018 twelve countries received CSRs relating to health care and in 2019 this figure rose to 15. In both years health care related CSRs have a strong focus on ‘sustainability’ and the need to adopt measures that anticipate increasing age-related demand. This means that many health care related CSRs include a general exhortation to improve ‘cost effectiveness’ without specifying in detail how this might be achieved. In 2019 six countries received health care related CSRs that specifically highlighted the need to improve access to health care services. However, in a year when all countries received a recommendation that identified priority areas for investment, health provision featured in only three countries’ recommendations.

Only a small number of countries (two in 2018 and one in 2019) received CSRs relating directly to the workforce despite problems of health sector labour supply being significant issues in several countries. This points to a reluctance on the part of the Commission to make recommendations on workforce issues in public services, even in areas where there are manifestly problems of labour recruitment and retention (see also the discussion of education below).

Concerns about demographic issues have also resulted in increased attention to long term social care which features in CSRs for three countries in 2018 and six countries in 2019. These recommendations have a strong emphasis on ensuring ‘sustainability’, but there are also concerns about adequacy and levels of access (half the recommendations in 2019).

Education related CSRs feature very prominently in European Semester recommendations as they have done for several years. This reflects what is seen as the intimate relationship between education policy outcomes and economic indicators with the concomitant need to develop ‘human capital’ (Becker, 2009). It also reflects orthodoxy within European Commission thinking that participation in the labour market is key to achieving social goals and that effective education provision underpins this.

In 2019 no fewer than 20 countries received recommendations relating to education policy, with 16 of these relating to broad aspects of vocational education and skills development. Within these CSRs the most dominant theme focused on aligning educational provision more closely to the needs of the labour market. Although the high frequency of CSRs focused on education is welcome there is a concern that the heavy emphasis on vocational education reflects a narrow and utilitarian approach to curriculum development (Stevenson et al, 2017).

Recommendations relating to general education are less frequent, but remain significant (seven countries in 2019). These typically relate to improving outcomes and access with

seven countries receiving specific recommendations relating to provision for Roma students (four countries in 2019), or students with migrant backgrounds (three countries).

In 2018 and 2019 Cyprus and the Czech Republic were the only two countries to receive recommendations relating to the education workforce despite well known problems of retention, and in some cases recruitment, across many European countries (Eurydice, 2018).

Early childhood education and care (ECEC) recommendations feature for several countries (four in 2018 and seven in 2019) with recommendations focused on improving both quality and access (in terms of affordability to users). In keeping with the Semester's tendency to link social and economic issues a majority of ECEC CSRs are directly linked to improving women's participation in the labour market.

In the 2018 and 2019 Semester cycles higher education features less prominently than it has done in previous years. There are very few countries with specific higher education related CSRs, but rather there are many more references to 'research' in general terms. One concern at this point, which at this stage must be speculative, is that any increased commitment to 'research' that is accompanied by on-going public sector fiscal restraint will result in a privileging of private sector research and a corresponding 'squeezing out' of vital public sector research.

Beyond the two key services of health and education other public services tend to feature less frequently and their appearance is likely to be the consequence of very specific circumstances in particular Member States. Housing for example features in only a few countries' CSRs and is typically framed as a market-based correction to a market failure. Within the Semester, recommendations relating to social housing have generally been conspicuous by their absence, although in 2019 two countries received CSRs directly referencing the need to expand social housing.

Several countries receive general exhortations to improve the efficiency and cost-effectiveness of public administration and public services (nine countries in 2018). Such CSRs open up the possibility of applying particular approaches to 'efficiency savings' across the public services and therefore may be evident across the whole of the public service sector. They are certainly likely to apply to major areas of administration such as the civil service and regional and local government.

In 2019 all Member States received a dedicated CSR focused on investment priorities as the Commission sought to boost investment and also align investment with its own strategic priorities. It is important to recognise that the commitment to increase investment is not accompanied by an unambiguous commitment to increase public investment even though the priority areas commonly identified often have a strong public service dimension. Priority areas for investment identified most frequently are transport and digitalisation (17 times each) which are clearly infrastructural, with significant implications for public service provision.

Finally, in this analysis, it is important to recognise the significance of the European Pillar of Social Rights within the 2018 and 2019 Semester cycles. The EPSR is embedded within the European Semester as it is first reported in the Joint Employment Report, then analysed at Member State level within each country's Country Report with an expectation that serious issues identified in the Scoreboard are likely to be reflected in CSRs. Within this study our evidence points to the emergent, but still uncertain, role and status of the EPSR. It is clearly a significant element of the Semester, and there is some evidence that EPSR outcomes are feeding into Country Specific Recommendations. For example, in the 2019 Social Scoreboard 39 'critical' situations were identified across all Member States and in 28 of these instances it was possible to identify CSRs that linked directly or indirectly to each of these situations. It may yet be some time before research can identify a clear link between a country's performance on the Social Scoreboard, the receipt of subsequent recommendations followed by, in turn, the adoption of policy measures at Member State level. However, the potential for this type of 'policy chain' effect does now exist within the Semester.

Individual country summaries

In these country summaries references relate to the Country-specific Recommendations published for that country in the relevant year. These reports are all available [online](#).

Denmark

As with other European countries, Denmark was deeply affected by the economic crisis, with a corresponding impact on public finances and public services. It is widely recognised that the Danish economy took longer to show signs of recovery than similar countries. Despite this, Denmark remains one of Europe's most prosperous economies which is able to support relatively high levels of investment in public services. Both healthcare and education experience levels of investment that are proportionately among the highest in the European Union. Both services are also considered to be relatively highly performing in terms of both 'outputs' and efficiency.

For these reasons public services have a relatively low profile in Denmark's European Semester with formal recommendations mostly focused on increasing productivity and competition in the private sector.

Education issues featured in early iterations of the Semester, at a time when the Danish government was implementing school reforms and CSRs urged action to improve *'the cost effectiveness of the education system'* (Denmark CSRs, 2013). There has also been an on-going concern about the effectiveness of vocational education provision, and this issue has re-emerged in 2019 as growing skill shortages have pushed this issue higher up the policy agenda. Education unions have been keen to prioritise issues around the needs of students from a migrant background as it is acknowledged such students experience negative differentials in achievement. This is an issue that the Commission has featured

prominently in Denmark’s Country Reports (see for example the Danish Country Reports in 2018 and 2019), but this has not yet been translated into a Country-specific Recommendation.

Denmark’s relatively high levels of investment in welfare provision, and its more robust social dialogue mechanisms, ensure Denmark generally performs well on the European Pillar of Social Rights Scoreboard. For example, in 2018 Denmark was rated in the top two categories on 11 of the 12 indicators. However, in 2019 this situation had changed appreciably with six of the 14 indicators rated ‘average’ or below. Public Service and Education trade unions identified this as highly significant and an issue of considerable concern.

France

For much of the time France has been in the European Semester it has been subject to the corrective arm of the Excessive Deficit Procedure (EDP) (ended in 2018). It is inevitable therefore that much of the focus of the country’s CSRs has been on managing public finances and working within the constraints of the EDP. This has therefore had an impact on public services as it has shaped the budgetary context within which public services have been financed. In addition to public finances, France’s CSRs have had a sharp focus on structural reform in the wider economy with CSRs frequently devoted to tax reforms and labour market restructuring. These reforms clearly impact public service workers but they are not directly focused on public services *per se*.

Public service issues within the European Semester have been largely concerned with education, and specifically the efficacy of vocational education. Linked to the drive to improve labour market functioning Country Specific Recommendations have focused on vocational education reforms that more closely align vocational education outcomes with the needs of the labour market. This is a recurring theme of France’s CSRs with this first appearing in 2013, and then in each subsequent year. At times the focus varies, for example adult education and lifelong learning were highlighted in 2014, but in more recent times attention has been on general vocational education reform combined with wider concerns about educational inequalities and the experiences of students with a migrant background.

France’s performance in the European Pillar of Social Rights Scoreboard may be described as ‘solid’. In 2018 and 2019 it was rated as either ‘average’ or ‘better than average’ across all indicators except one (in 2018 ‘At risk of poverty or social exclusion’ was rated as ‘good but to be monitored’).

Italy

In the years since the economic crisis Italy’s public finances have remained precarious, and there have been on-going concerns about the stability of its banking sector. Many of the recommendations that have emerged from the Semester have therefore focused on these areas with the commitment to meeting Stability and Growth Pact rules providing the on-going background to decisions about spending on public services.

Within the Semester education provision receives the most attention with CSRs in this area in virtually every year. In Italy public investment in education has historically been low, especially relative to other European countries. Italy's Education and Training Monitor (European Commission 2019) reported *'Italy's investment in education is low, and unevenly spread across education levels'* (p. 6). Spending on tertiary education as a % of GDP is the lowest in the EU. This lack of investment is reflected in mixed outcomes at all levels of the system. Italy has therefore received recommendations in the area of school reform (encouraging implementation of the controversial *'Buona Scuola'* school reforms), vocational education (linking outcomes more closely to the needs of the labour market) and higher education (linking public funding more closely to *'quality'*). In 2019 Italy received a clear CSR urging it to tackle problems in its education system through *'adequate and targeted investment'* (Italy CSRs, 2019).

Other public services have typically received less specific attention but rather have been part of a more generic focus on improving governance and efficiency across the public services. Exceptions to this general focus include the judicial system, Early Childhood Education and Care, and more recently, care for the elderly, with ECEC and social care being linked to the relatively low participation rates of women in the Italian labour market.

Italy's performance in relation to the European Pillar of Social Rights has to be a source of concern. In 2018 only one indicator achieved an *'average'* score (children aged less than three in formal child care), while nine indicators were rated in the bottom two categories (five rated as *'critical'*). In the following year ten of the 13 indicators for which Italy received scores were located in the bottom two categories (with seven rated as *'critical'*). In almost all the critical cases it was possible to link a Country Specific Recommendation to the relevant indicator.

Latvia

When the European Semester was established Latvia was the recipient of a financial assistance programme and so did not enter the Semester until its second year under a system of *'post-programme surveillance'*. Latvia is generally considered to have recovered quickly from the impact of economic crisis but its economy is characterised by considerable unevenness and inequality.

Key themes in Latvia's Semester have focused on governance issues and the need to tackle corruption across the economy. Public services however have featured prominently, most clearly health provision which is seen as problematic. In 2014 Latvia devoted 8.8% of GDP to healthcare, compared to an OECD average of 15.1% (OECD, 2017). European Semester analyses in subsequent years point to some, limited, improvement in this area. The consequence is that Latvia has poor health outcomes, significant health inequalities and Latvians experience appreciable out of pocket expenses when accessing health care. Within the Semester therefore there has been a substantial focus within CSRs that advocate the need to *'Increase the accessibility, quality and cost-effectiveness of the healthcare system'* (Latvia CSRs, 2019).

Latvia's education system receives proportionally better investment and is considered to have positive outcomes although there are concerns about the effectiveness of vocational education provision and therefore Latvia has received several CSRs in this area. In early iterations of the Semester there were clear recommendations focused on higher education reform and the need to drive up system performance.

Latvia's performance on the European Pillar of Social Rights Scoreboard is mixed and highlights tensions and inequalities in the Latvian economy. In 2018 half of the indicators were below average and in 2019 six of the 14 indicators scored below average. Typically those indicators that perform strongly are more closely linked to economic cycles (employment rates, Gross Disposable Household Income per capita growth) whereas poor scores are experienced for those on the margins of the labour market (income inequality, risk of poverty etc). Self-reported unmet need for medical care is classified as 'critical', indicating only limited progress in this area despite all the focus of past CSRs.

Republic of Ireland

Ireland's economy was very badly hit by the 2008 economic crisis and in 2010 the so-called 'Troika' took control of Ireland's public finances. In the years following the crisis the impact on public services (and public sector workers) was severe with swingeing cuts across the whole of the public sector. As it was subject to an 'adjustment programme' Ireland did not formally enter the European Semester process until 2014.

Since being part of the Semester process a number of themes have dominated the agenda with a focus on stabilising public finances, broadening the tax base (to counter 'aggressive tax planning', especially by multinational corporations) and more effective regulation of financial institutions. Public service issues have featured prominently, particularly healthcare, Early Childhood Education and Care and housing. Education in Ireland is considered well performing and does not generally feature in recommendations, except in the wider context of skills development.

Health care features prominently in Ireland's CSRs with a focus on what many see as an inefficient insurance-based scheme. Health care unions welcomed this attention which they saw as seeking to address significant structural problems in the system. CSRs relating to childcare have appeared regularly and often in unequivocal terms – 'Increase access to affordable and quality childcare' (Ireland CSRs, 2019). In more recent years housing issues have featured in Ireland's Semester debates and in 2019 Ireland was one of only two countries to receive a recommendation with an explicit reference to social housing.

More widely CSRs encourage the Irish government's programme of public investment (the National Development Programme) and recognise the need for substantial development in public infrastructure (transport, energy, housing) in order to tackle problems caused by previous public spending cuts.

The 2018 and 2019 Semester cycles: summary

Based on an analysis of European Semester outcomes since its inception, and with a particular focus on the 2018 and 2019 cycle it is abundantly clear that the European Semester's role in 'social policy coordination' is significant and that public services have a high profile in the Semester process. This is most visible in the Country Specific Recommendations but it is evident elsewhere in the process. Indeed, focusing too narrowly on the CSRs may deflect attention from other points in the process, such as the Country Reports and the National Reform Programmes, where social partners may be most able to influence outcomes. Within the European Semester education and health care are the public services that feature most frequently, but almost every aspect of public service provision can be impacted in some way.

Despite the clear visibility of public service issues in the Semester the case for an unambiguous 'socialising' of the Semester is less clear cut. This is partly because within the European Semester there can be no simple bifurcation of 'economic' and 'social' goals but rather both are intimately connected. It is the case that narrowly defined CSRs relating to macroeconomic policy remain dominant, and it is important to recognise that all CSRs focused on public service provision are framed within the parameters of the European Commission's fiscal rules which the European Semester is intended to enforce. However, it is also important to recognise that many 'social' CSRs contain both a social and an economic element in that they seek to support a social goal, while they simultaneously seek to reinforce (rather than replace) market mechanisms. This is the difference that Copeland and Daly (2018) identified when they distinguish between 'market making' and 'market correcting' CSRs. Copeland and Daly argue that most 'social' CSRs seek to 'fix' market failures (ie market making) rather than provide an alternative outcome to market-based solutions (market correcting). That is, they reproduce, rather than disrupt, market logics. The important conclusion that flows from this analysis is that any claim for a more 'socialised' European Semester cannot be made on the basis of a simple number count of so-called 'social' CSRs, but must be based on a careful analysis of both the content of CSRs and the wider economic framework within which they are located.

That said, with all of the caveats identified above, it is clear that social priorities have both a prominent, but also an increasing profile within the European Semester. During the two years when this study was conducted, between 2017 and 2019, this was almost certainly encouraged by the embedding of the European Pillar of Social Rights within core Semester processes. As such it highlights the dynamic nature of the Semester as a process in constant evolution and the possibilities that now exist for further expanding its social dimension. Ensuring this possibility becomes a reality will depend in large measure on the extent to which social partners are able to engage in meaningful social dialogue in relation to Semester matters, and this is the focus of the next section of this report.



Trade union involvement in the European Semester process

In the first two years after the introduction of the European Semester, the attention of the trade unions to this procedure was in general very limited; the situation changed after 2013 when the adoption of the Commission's Country-specific Recommendations on collective bargaining and wage setting incentivized the action of the social actors. In this framework, the coordination role of the ETUC, helping national affiliates to provide effective inputs into the Semester process, played a crucial role (Sabato, 2018). Unsurprisingly then, involvement of social partners in the European Semester was strictly limited until 2014 (Sabato *et al.* 2017).

As from 2014, the involvement of social partners in the Semester increased, notably through enhanced efforts of the European Commission to create more EU venues for their involvement (Sabato *et al.*, 2017). In spite of this, research raised important questions as regards the effectiveness of social partner's involvement in influencing the outputs of the Semester. Thus, trade union organisations faced severe difficulties in coordinating the activities of national affiliates to produce timely input for the Semester. Also, while trade unions' dialogue with the Commission clearly improved, research found a great deal of variation between Member States, especially regarding the involvement of national trade unions in the domestic cycle of the Semester (Sabato *et al.*, 2017).

When it comes to the 2018/10 cycle of the Semester, overall, public sector trade union representatives in the five countries examined agree on the importance of participating in the European Semester process. This is especially the case for the Trade Union Semester Liaison Officers (TUSLOs), whose role is to facilitate links between the European Trade Union Confederation (ETUC) and its national affiliates on Semester issues. The TUSLOs are therefore insiders with a significant knowledge of the Semester messages and procedures.

Public sector trade union involvement in the Semester process varies a great deal between the five countries under scrutiny, especially regarding the dialogue with the respective national governments. The efforts made to participate in the Semester — and

the strategies adopted by trade unions — also vary considerably between Member States; for instance, the three main Danish public sector trade union confederations and the union for the education sector invested in a full-time (or part-time, in the case of the education union) staff presence in Brussels. In other cases, resources within confederations are far more limited: in Ireland, for example, Semester-related work is undertaken by the person responsible for international affairs, in addition to many other responsibilities.

In Denmark, France, Italy and Ireland, the public sector trade unions participate in the European Semester process mainly via the confederations, rather than through the sectoral unions. In Latvia, the sectoral unions representing education and the public sector seem to be slightly more prominent in discussions surrounding the key stages of the Semester. However, insufficient communication has been observed between LVSADA and LIZDA (respectively the health and education sector unions) and their respective ministries in Latvia in relation to Semester documents.

The involvement of sectoral trade unions in the European Semester takes place at two main levels: at the national level (contacts with the government), and at the European level, through direct dialogue with the European Commission or through the intermediation of the European Trade Union Confederation and sectoral European trade union federations, such as EPSU and ETUCE (representing, respectively, the public and education sectors). Through the ETUC and the TUSLOs, national affiliates are involved in producing documents on the main stages of the Semester, which are then presented to the Commission.

Similarly, in the five countries considered in the present study, discussions between trade unions and the European Commission generally is structured around the core stages/milestones of the Semester and focuses on the core documents of the process. However, the dialogue between national public sector trade unions with the respective national governments — in particular on the National Reform Programmes (NRPs) — differs significantly among the five case studies, since it happens at the discretion of the national governments.

Fact-finding missions and Country Reports

In the five countries considered in this study, trade union involvement in the 2018-2019 Semester cycle began between October and November 2018, with the so-called fact-finding missions. Commission officials visit the capitals to meet with a variety of stakeholders (civil society, ministries, social partners, trade unions) in order to collect information with a view to the elaboration of the Country Report and to discuss issues relating to the Europe 2020 objectives. Meetings — which in each case lasted several days — were organized by the Commission's European Semester Officer (ESO) for each of the countries; in France, no less than around 50 meetings were organized in 2018 related to the Commission's fact-finding missions (involving different ministries, stakeholders etc).

At this stage of the Semester, sectoral trade unions were involved mostly (or exclusively, in the case of IE) at confederation level; in some cases, however, the sectoral unions representing the education and public sectors also had a chance to meet with relevant Commission DGs (e.g. Denmark, Italy and Latvia). In Latvia, the only trade union confederation, the Free Trade Union Confederation of Latvia (*Latvijas Brīvo arodbiedrību savienība* — LBAS) represented the vast majority of its public-sector affiliates at the meeting between the Commission and the social partners. The LVSADA and LIZDA — the health and education sector unions respectively — were also invited.

During the consultations, trade unions generally felt that they had the opportunity to raise questions and express their point of view. In many cases, the meetings had an open agenda, with no prearranged issues for discussion (e.g. DK, IE). In other cases, the format was different: for instance, the French trade unions received a questionnaire a few weeks before the meeting on an array of topics to be discussed (such as the European Pillar of Social Rights, employment law, unemployment insurance, social dialogue and the functioning of the labour market, etc.). In order to prepare for the discussion, social partners were invited to send back their answers before the consultations (only the CDFT replied to the questionnaire, although representatives from CFDT, FO, CFE-CGC attended the meeting). Furthermore, in Denmark, trade unions followed up the meetings by supplying certain documents to the Commission; in other countries, such as Ireland, however, no follow-up was required.

The public sector trade unions' opinion of their involvement at this initial stage of the 2018-2019 European Semester is overall rather positive, although some of the trade unionists interviewed complained that they were given little time to speak, in particular in those countries where the fact-finding missions had an open agenda. Another issue raised by the interviewees was the scant attention paid to the union representatives' interventions (e.g. Latvia); for instance, some Danish confederation representatives complained that the analysis presented in the Country Report reflected the employers' perspective more than that of the trade unions.

Before the publication of the Country Report, TUSLOs were equally invited to provide their inputs. These are later collected into a single document — 'ETUC Report on National Trade Union Inputs for The Early Stage Consultation on Country Reports' — which is then transmitted to the Commission.

After the publication of the Country Reports, the ESOs in all the capitals organized a launch event with various stakeholders, in order to present the reports. The trade unions were invited and could ask questions and intervene but all in all trade union representatives report it to be a one-way communication, with many participates and very little time for a detailed debate with social partners, as illustrated, for instance, by the Italian case study.

In France, trade unions involvement at this stage of the Semester also included two other events, organized in March 2019 by the Commission, while in Ireland, at the end of February, the (only) trade union confederation, the Irish Congress of Trade Unions (ICTU),

was invited by the Department of the Taoiseach (the Irish Prime Minister) to submit its comments on the Country Report so that these could be included in the National Reform Programme.

National Reform Programmes

The National Reform Programmes were published between March and April 2019. This is the stage which varies most among EU countries, in particular the interaction with the national governments. This is also illustrated by the ‘ETUC Trade Union Involvement Index’, which measures the extent of meaningful and timely relations with the government at the appropriate level in the context of the European Semester. In the 2019 Index, the five countries covered in the EFISTU project, except for Italy, display overall ‘improvable’ dialogue with the government on the Semester, i.e. with worse results than the 2018 Index for DK, FR and IE. In Italy the situation is worse: the Index shows that there has been no meaningful involvement of trade unions by the Government since the introduction of this ETUC tool in 2017. The three main union confederations (CGIL, CISL and UIL) were summoned to only one parliamentary hearing on the NRP.

The situation is slightly more positive in Latvia; according to LBAS, involvement of the unions in the NRP process has improved from the 2017-2018 round of the Semester. In the 2018-2019 cycle, according to the Latvian Ministry of Economy, a working group with stakeholders — also including the sectoral unions LVSADA and LIZDA — focused on the content of the NRP. Despite their overall positive evaluation of the interaction with the government at this stage, the Latvian public sector trade representatives interviewed for the case study lamented the inadequate time given to read the document and provide responses.

In France, at national level, the social partners interact with the European Semester process, particularly the NRP, through two different institutions: the Economic, Social and Environmental Council (CESE) and the Committee for Social Dialogue on European and International Affairs (CDSEI). During the 2018-2019 cycle of the European Semester, several *ex ante* hearings were organised with the stakeholders, including trade unions (but also, for example, associations of local and regional authorities). Each stakeholder was invited to submit a written contribution, to be annexed to the NRP and then forwarded to the European Commission.

Several years ago, Denmark established a specific forum for dialogue between the government, trade unions, employers and civil society organisations, to discuss European Union issues, and specifically matters related to the Europe 2020 Strategy. Over time this agenda has become focused around the European Semester. With regard to the NRP, a meeting was held to discuss the Programme under the auspices of the ‘Contact Committee for the Europe 2020 Strategy’, where discussions also take place with stakeholders on the European Semester. The trade unions participated in the Contact Committee meeting and also submitted written comments on the draft NRP (which had been circulated before the meeting).

Lastly, in Ireland, as stated in the introduction to the 2018 National Reform Programme, the government expresses full support for the Semester process and a commitment to involve social partners and stakeholders. Contacts between the public sector trade unions and the government occur mainly at confederal level: in addition to parliamentary hearings, the Irish Government regularly consults stakeholders on a range of policy issues. In 2018-2019, the National Reform Programme was discussed at the Labour Employer Economic Forum (LEEF), and ICTU had very little time to submit a formal reaction to the NRP on behalf of the trade unions.

Country-specific Recommendations

In general, the five case studies for the EFISTU project reported very little consultation on the Country-specific Recommendations (CSRs) before their adoption by the Council of the EU. French union representatives claim that the social partners' comments on this document are ignored, and the Italian trade unions denounce the lack of contact with the government on this document.

As emerged from some case studies (e.g. France, Ireland and Latvia), after adoption of the CSRs by the European Council, the ESOs invite the trade unions to send their written reactions to the document. The 2018-2019 Semester was the first time that the Latvian sectorial unions were involved in this procedure; more precisely, the LBAS asked the healthcare and education trade unions to provide feedback on the CSRs.

Finally, as for any other core Semester document, TUSLOs are asked — via the ETUC — to produce a document with their proposals for the Country-specific Recommendations, which are then brought together in a single document to be presented to the European Commission.

Trade union involvement in the Semester: summary

In the five countries analysed in the context of the EFISTU project, public sector trade union representatives agree on the importance of participating in the European Semester process. This involvement mostly occurs at confederal level, while the sectorial unions are less involved. Discussions on matters relating to the European Semester take place between the trade unions and the national governments; and, at European level, with the European Commission, either directly or through the intermediation of sectorial European trade union federations, such as EPSU and ETUCE. The national affiliates of the ETUC are invited by the European confederation to contribute to certain documents on the main stages of the Semester, which are later presented to the Commission.

Trade union involvement in the 2018-2019 Semester began in the autumn, with the so-called 'fact-finding missions': several days of meetings in the capitals between Commis-

sion officials and a variety of stakeholders. The sectoral trade unions were involved in at least one consultation and generally had a chance to raise some questions and to present their opinions on the issues debated. In most cases, trade unionists expressed satisfaction with the consultation at this stage, but some complained about the lack of time, which limited the effectiveness of the dialogue.

After the publication of the Country Reports, the European Semester Officers organized a launch event in each country analysed, in order to present the reports. The trade unions were invited to intervene but this event is often considered as a one-way communication. The five EFISTU case studies highlight how little consultation takes place on the Country-specific Recommendations before their adoption by the Council.

The point on which the situation in the five Member States differs most is the extent of public sector trade union involvement in the National Reform Programme (NRP) — and in general their contacts with the government in relation to the Semester — since this is determined by the national governments alone. According to the 2019 ‘ETUC Trade Union Involvement Index’, unions in Denmark, France, Ireland and Latvia display an ‘improvable’ degree of meaningful and timely relevant relations with the government in the context of the European Semester, while in Italy there is no meaningful involvement with the Government, especially on the NRP.



Conclusions

The final report of the project provides an in-depth analysis of the two cycles of the European Semester from 2017 to 2019 – drawing on five case studies and desk research. It clearly shows how education and health care in particular but public services more broadly feature as central themes. This therefore poses a major challenge for public service unions in relation to any direct role they have in the process or any indirect influence they try to achieve through their national confederations and/or European sector federations.

The study has found evidence of a continuing trend towards a more ‘socialised’ European Semester, both as regards the messages stemming from the Semester and the openness towards social stakeholders. At the same time, this type of research should not just be about a simple count of so-called ‘social’ Country-specific Recommendations (CSRs), but must be based on a careful analysis of both the content of CSRs and the wider economic framework within which they are located.

This continuing socialisation of the Semester has certainly been helped by the embedding of the European Pillar of Social Rights within the core of the Semester. In some respects, this highlights the dynamic nature of the process and the possibilities for further expanding its social – and ecological – dimension. Whether this becomes a reality will depend in large measure on the extent to which trade unions are able to engage in meaningful social dialogue in relation to Semester matters.

It will also depend on whether the European Commission and the Member States will adjust their priorities and allow for a real re-balancing of economic and social policies and give them more weight vis-à-vis the strict respect of fiscal rules.

As far as social dialogue is concerned, the evidence of the EFISTU project shows that there is still a long way to go, with many trade unions raising serious concerns about the extent of social dialogue and information and consultation in the Semester. Too often, even when dialogue takes place, it can feel superficial and tokenistic. The lack of real consultation in some countries calls for stronger European guidance (including possible legislation) to require national governments to establish a proper process of social dialogue within the semester.

However, there are also some good practices and improvements in some countries although problems remain particularly in relation to timing – the need for responses to detailed documents at short notice – and for some unions the limited resources available to produce indepth input.

Some of the challenges are at national level with trade unions looking for improved consultation with national governments and/or specific ministries. In other cases, it is about ensuring that the message gets across to the European Commission where input into the annual Country reports can be crucial. This can again be about timing and resources to ensure effective intervention. However, some trade unions have also seen how coordination with other trade unions – and indeed civil society – can help in strengthening their arguments and making a more convincing case to the European Commission. Both the European Semester Officers and the European Trade Union Liaisons officers were found to play a key intermediary role.

For the trade unions organising in public services at sector level the key link is with the confederation. While that is often working smoothly, there is also evidence of a failure in effective communication. Improvements in this relationship are vital for ensuring that public service unions get their messages across.

Some of the main recommendations emerging from the EFISTU project are targeted at the different actors.

The European Commission should:

- ensure that the Semester is embedded in social dialogue processes, particularly in relation to the sector social dialogue at European level, potentially including an obligation to consult social partners;
- circulate draft versions of Country reports at an early stage for social partner feedback;;
- extend the process as far as possible to allow for more time for trade union input, taking account of the pressure they often face with limited resources; and
- look at how to increase funding to support the training and information needs of trade unions

National governments should:

- ensure meaningful consultation around the national reform programme and that it is a proper response to the issues raised in the Country report and CSRs rather than just a restatement of government policy;
- allow for direct contact with relevant ministries to address key sector issues;; and

- consider how to promote public debate around some of the key issues highlighted in the Country Report and National Reform Programmes

Trade unions – the sector federations and national confederations – should try to address the following:

- ensure that trade union confederations reflect the key concerns of their public service affiliates and/or involve these unions directly in the consultation process;
- aim to intervene effectively in the key stage of drafting the Country Report;
- take a more strategic approach and set out key demands rather than just react to what comes from the European Commission and national governments;
- don't miss out on issues and arguments raised by the European Commission that can help with the political arguments at national level (even if in some countries the Semester is felt as an "intrusion" in domestic affairs); and
- try to integrate semester work with other work and campaigns and not see it as something separate;
- try to open up the process where relevant and possible – using themes such as health spending or housing, that might connect with the public ; and
- work with other organisations – civil society – on common issues as this can help ensure greater impact and influence on the European Commission.



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