

# Role of the social partners



The potential for the social partners, particularly in the current economic downturn, to act together in tackling social exclusion has been highlighted in Eurofound's work. Evidence from across Europe demonstrates that social partners have at their disposal a variety of tools, through collective bargaining and beyond, to deal with this issue.

## Maintaining employment and improving skills

According to the European Commission, 'Having a job represents the best chance of avoiding exclusion'. Job creation is one area where employers can most effectively contribute to greater inclusion, while trade unions can work to ensure adequate pay, job security, and working conditions. In recent times, trade unions and employers have often agreed to moderate wage increases and to introduce pay freezes, or in some cases even pay cuts, in an attempt to limit or avoid redundancies. Such instances of concession bargaining show the important contribution to employment by the social partners during the economic downturn.

In the automotive sector in France and Germany, collective bargaining facilitated the introduction of publicly funded short-time working schemes, which reduce labour costs for companies and help to maintain employment levels. Social partners have also sought to boost skills levels by combining short-time working with incentives for training or public funds for training, which, in the long run, will help to reduce social exclusion. However, collective bargaining has also introduced measures to create training opportunities and support those who have been recently made redundant. In Sweden, social partners – at the sectoral level – jointly fund and manage job security councils at sector level. These councils provide support to workers who are laid off – through training, financial assistance, support in establishing new companies etc. Such assistance makes adapting to restructuring easier, and demonstrates how the social partners can act to limit the dire consequences of unemployment.

**Many unions have been faced with the tough decision of accepting pay cuts in order to avoid redundancies. For instance, pay cuts have been agreed in the Dutch public sector (a cut of 15%) and in the Czech airline ČSA (6.5%).**

## Making the most of social security systems

In most Member States, social partners are involved in shaping and administering the national social security systems – the key tool for combating social exclusion – often playing a role in preparing legislation. Because of social partners' broad support base, such involvement can lead to greater acceptance of the legislation and facilitate its implementation. Moreover, social partners are often involved in administering unemployment insurance schemes; this can help create a closer link for unemployed citizens with the labour market, and result in more active labour market policies. As experts in the labour market, social partners are best placed to assist with advice for job seekers and access to appropriate training. Recently, there has been an increased focus on the scope of the social security system to provide strong incentives for activation and so motivate people to re-enter the employment market. While motivated by the need to make unemployment insurance sustainable in the long term, social partners should ensure that the goal of activation goes hand in hand with sufficient support to people in need.

**Tripartite bodies are often involved in the preparation of legislation on social security systems in Europe. The involvement is usually advisory, and greater in countries with a long tradition of tripartite consultation.**



## Assisting workers with low levels of education

Workers with low levels of education and qualifications run a greater risk of being in 'working poverty' and social exclusion. They are also more likely to encounter unfavourable working conditions. Low-qualified workers are particularly vulnerable in times of increased competition: when the economy shrinks during a recession, such workers lose out to those with higher qualifications. Moreover, such workers often receive considerably less training than other groups of workers. Public institutions must thus ensure that the employers have sufficient incentives to provide training for all workers but particularly the low-qualified; cooperation by the social partners often makes governments more likely to contribute. Indeed, the major European social partners have signed a 'Framework of actions for the lifelong development of competencies and qualifications', which affirms the mutual responsibility of employer and employee organisations. At national level, collective bargaining regulates the coordination and funding of vocational training.

**When it comes to training, those that already have high skills levels are more advantaged than low qualified workers.**

## Tackling discrimination

Women, migrant workers and people with disabilities tend to face discrimination on the labour market. Migrant workers are heavily overrepresented in low-paid, unskilled and precarious occupations, and have fewer opportunities for training. Women have greater difficulty progressing into senior positions or traditional male occupations, while a gender pay gap persists across Europe. Social partners have made more progress in combating discrimination against women than migrant workers, and more can be done to protect both groups. Increasingly, discrimination is targeted explicitly in collective bargaining and the social partners are taking actions to prevent it, partly thanks to European framework agreements on the issue. Social partners have a sufficiently long-term perspective, as well as influence on the labour market, to be in a position to address discrimination. In a few Member States, social partners include explicit anti-discrimination measures and diversity plans in collective bargaining or create forms of activation to improve migrants' working conditions. European-level social partners have adopted a European Framework of actions on gender equality which includes the goals of promoting women in decision-making and tackling the gender pay gap.

**In Denmark, a tripartite agreement states that newly recruited migrant workers can have Danish-language tuition during working hours; similarly, in Sweden, the focus is on providing training to increase the employability of migrant workers.**

## Further information

This fact sheet forms part of the Eurofound resource pack, *All aboard – leaving social exclusion behind*.

The pack looks at the key issues behind social exclusion and explores initiatives across Europe that seek to create a fully inclusive society.

For a copy of the pack or further information on this topic, please email: [integration@eurofound.europa.eu](mailto:integration@eurofound.europa.eu)

To view the resource pack online, and all other Eurofound materials on this topic, please visit:

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