Strengthening industrial relations and facilitating social dialogue remains at the core of the EU's industrial relations systems. Policymakers should introduce new initiatives to promote, strengthen and underpin collective bargaining, while closely involving social partners in the design of new policy measures to rebuild after the COVID-19 crisis. Access to support from public authorities can play a critical role in ensuring effective social dialogue and well-functioning industrial relations.

Social dialogue and working conditions

Industrial relations processes play a key role in improving working conditions in the EU. Collective bargaining is central to this, particularly in setting pay and working time. But collective bargaining coverage continued to decline in the EU during the period 2015–2019.

Setting pay and working time are important topics for dialogue.

**Pay**
- The estimated proportion of workers earning ‘around’ the minimum wage in the EU (around 7% of workers) grew slightly over the past decade.
- In 2018, 23% of minimum wage earners reported difficulties or great difficulties in making ends meet for the EU as a whole, as compared to 11.5% among the rest of employees.

**Working time**
- In 2020, 57.3% of employed people in the EU reported working 40 hours or more per week. 12% work 45 hours or more.
- In 2020, some 23.1% of part-time employment in the EU was involuntary – they would prefer to work full-time.

But there are still challenges.

Social dialogue in the traditional economy has been well tested but its potential in addressing the challenges of the changing labour market has yet to be explored.

- Falling trends in trade union density are a matter of concern for many Member States.
- Fewer than 1 in 3 EU workplaces with 10+ workers has some form of official employee representation.
- With new forms of employment/self-employment, social partners can support policymakers in responding to challenges presented by these types of work.

How can social partners address these issues

- Policymakers should introduce new initiatives to promote, strengthen and underpin collective bargaining, while closely involving social partners in the design of new policy measures to rebuild after the COVID-19 crisis.
- Access to support from public authorities can play a critical role in ensuring effective social dialogue and well-functioning industrial relations.

Safeguarding and promoting fair, well-functioning and balanced industrial relations is critical to ensuring inclusive and sustainable growth, and social progress across the EU.

Key dates in the development of European social dialogue

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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</thead>
<tbody>
<tr>
<td>1985</td>
<td>First meetings of the social partners at Val Duchesse</td>
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<td>1986</td>
<td>The Single European Act was signed</td>
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<tr>
<td>1991</td>
<td>Social partners agreed on the basic principles of social dialogue (followed up by the Treaty of Maastricht)</td>
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<tr>
<td>1993</td>
<td>The Amsterdam Treaty incorporates agreement on social policy into EC Treaty</td>
</tr>
<tr>
<td>1997</td>
<td>The Barcelona Treaty includes agreement on social policy into EC Treaty</td>
</tr>
<tr>
<td>2001</td>
<td>European social partners’ declaration on social dialogue</td>
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<tr>
<td>2009</td>
<td>Treaty on the Functioning of the European Union reinforces EU social dialogue</td>
</tr>
<tr>
<td>2016</td>
<td>European social partners, the Commission and Council Presidency sign a new start for social dialogue</td>
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Key challenges for industrial relations systems are changes in society, labour markets and the organisation of work.

Effective collective bargaining and well-functioning social dialogue

Better links between the national and EU levels

Accessing social partners’ involvement in shaping policies

Reinforcing workplace democracy

Investing in the capacity of social partners

Strengthening industrial relations and facilitating social dialogue

Collective bargaining remains at the core of the EU’s industrial relations systems.