

# STARPTAUTISKAIS ARODBIEDRĪBU JAUNIEŠU FORUMS

„ARODBIEDRĪBU JAUNIEŠU  
LĪDZDALĪBAS STIPRINĀŠANA  
LĒMUMU  
PIEŅEMŠANĀ EIROPAS UN  
NACIONĀLAJĀ LĪMENĪ”

5. - 7. JŪNIJS 2015  
RĪGĀ  
TECH HUB

„STRENGTHENING THE TRADE  
UNION YOUTH PARTICIPATION  
IN DECISION MAKING ON  
EUROPEAN AND NATIONAL  
LEVEL”

# INTERNATIONAL TRADE UNION YOUTH FORUM

5 – 7 JUNE, 2015  
RIGA  
TECH HUB



Latvijas prezidentūra  
Eiropas Savienības  
Padomē

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# Youth participation in the work of trade unions.

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International trade union's youth forum  
**Strengthening of involvement of youth in decision making at European and national level**

Acad. Raita Karnīte

Riga, 6 June 2015

# Mission of youth in trade unions

Youth is responsible for future of trade unions  
(generation change is unavoidable)

Important aspects:

- adaptation to specific trade union's ideology
- obtaining skills of trade union's work – use of legislation, participation in political and decision making processes, negotiations, public actions, regular organisational work
- obtaining contacts
- understanding situations and processes
- technological and organisational progress (education, IT skills, language skills communication skills, social networks)

## Methods

Working within the main trade union organisation (age balanced personnel structure)

Working in independent institutions together with main trade union institutions (organisational structure)

Organising independent targeted actions aimed at youth involvement

Fouss on: youth issues, main issues or general participation in trade unions activities

**Youth participation should be taken seriously**

From youth perspective participation depends on importance of trade unions in general and importance of issues to be solved

**What is future of trade unions**

## Three studies

**The role of trade unions in implementation of *Europe 2020***  
(September 2014)

**European Economic Governance and its impact on activities of trade unions in Latvia** (December 2014)

Expertise of normative acts and policy documents on social development and development of labour market within the priority 1.5 *Strengthening of administrative capacity* of the extension of the first action programme on *Human resources and employment* (planning period 2007-2013 of the EU Structural funds)

Sub project *Strengthening of LBAS administrative capacity* (ID LBAS 2009/ESF – 15-7-23)

National contribution to the Eurofound's (Dublin Foundation) study on **The role of social partners in the NRP and in the European Semester** (January - February, 2015, 2014 Working Program)

## Methodology

**First two studies** – expertise, evaluation of policy documents from the point of view of trade unions

Analysis of background information (why, when, who, expected result)

Analysis of policy documents

Analysis of available studies, articles and similar

Conclusions and proposals

**National contribution to the Eurofound's study** - answers to unified EU level questionnaires

Analysis of existing practice

Interviews with social partners (Free Trade Union Confederation of Latvia, LBAS; Employers' Confederation of Latvia, LDDK)

# The role of trade unions in implementation of *Europe 2020*

*Europe 2020* – Strategy for growth and employment for 2011-2020 aims at smart, sustainable and inclusive growth, **all aspects being important for social development**

It follows five headline targets in employment, innovation, education, poverty reduction, climate and energy sector, and more than ten particular targets, **first four headline targets concern social development**

Stated objectives will be achieved by implementation of seven flagship initiatives, **four of them concern social development**

*Europe 2020* is based on **closer coordination of economic policy** (higher centralisation) in order to increase long term growth potential and competitiveness of European economy

## **It starts implementation of principles of economic governance in EU**

Main instruments for long term implementation are: single market, financial instruments, investment, external policy instruments, for short term implementation – crisis prevention measures (reform of fiscal system, consolidation of public finances, increasing coordination) (**economic nature**)

# The role of trade unions in implementation of *Europe 2020*

*Europe 2020* is a complicate ten-year policy that concerns wide scope of socio-economic development issues and fields of trade unions activities

The role of trade unions in implementation of *Europe 2020* should not be questioned

Analysis by targets and incentives show that trade unions could participate in implementation of almost all targets of *Europe 2020*

Participation of trade unions would be less relevant in implementation of targets such as reducing of CO2 emissions, or increasing of use of renewable energy, or increasing of energy efficiency

The greatest challenge for trade unions is contradiction between social nature of *Europe 2020* targets and dominance of economic instruments for their implementation

# The role of trade unions in implementation of *Europe 2020*

In *Europe 2020* trade unions are seen contributing to the industrial policy and innovation within the flagship initiative *An industrial policy for the globalisation era*

Most frequently participation of trade unions could be find within the role of social partners

“**Coordinated action with social partners**” is stressed as a condition for success in preamble of *Europe 2020* (Jose Manuel Barroso)

Increasing of partnership with social partners is general task – it is stressed in formulation of responsibilities for implementation of *Europe 2020*

More specifically, social partners will promote youth employment (*Youth on the move* incentive), contribute to the elaboration of flexicurity program, strengthening of the capacity of social dialogue, cooperation in education and training (some measures of incentive *An agenda for new skills and jobs*) of the third priority (*Inclusive growth*)

Participation of trade unions is not reflected in reports on implementation of National Reform programs and Stability programs and such reflection is not requested

# The role of trade unions in implementation of *Europe 2020*

In national legislation the role of trade unions is even less stressed

Participation of trade unions is most often seen in fields such as education, development of human resources, less in activities regarding employment

Cooperation is envisaged with Ministry of Education and Science, and not with ministries responsible for employment (Ministry of Welfare, Ministry of Economy).

Role of trade unions differs in interconnected national level documents (National Reform program (participation is envisaged), and Stability program (participation is not envisaged))

Implementation is not assessed from the point of view of social partners, social partners' considerations are incorporated into general estimation

These observations may reflect national peculiarity, however, “forgetting” of trade unions and low respect to Social Europe idea was mentioned also in reviewed studies and in other countries

# European Economic Governance and its impact on activities of trade unions in Latvia

European Economic Governance is necessary and useful, it is oriented on economic growth and employment

Necessary for monetary union

Promotes successful implementation of *Europe 2020*

Includes:

**monitoring** (Annual Growth Survey, Alert Mechanism Report)

**prevention** (The Stability and Growth Pact, Medium-Term Objectives – standard for economic behaviour,

National Reform Programmes, National Stability programmes (euro zone), National Convergence programmes (non-euro zone),

Country Specific Recommendations,

Treaty on Stability, coordination and Governance (Fiscal Compact), Six Pack, Euro-Plus, Two Pack

Macroeconomic Imbalances Procedure)

**correction** (Excessive Deficit Procedure, Excessive Imbalance Procedure)

# European Economic Governance and its impact on activities of trade unions

European Economic Governance **sets important conditions for economic development:**  
**banking, financial systems,**  
in addition to unifying conditions of  
**European Single market** (commodities, labour, capital markets) and  
**R&D and innovation policy** (education policy, to less extent)

**No responsibility for social development:** idea of Social Europe is forgotten

Drastic normatives, drastic governance methods (penalties)

Country specifics is not taken into account (inflation restriction, budget restrictions)

Unequal approach – just some countries observe stated normatives (within 17 years only 4 countries (Estonia, Finland, Luxembourg and Sweden) have never violated norms of Stability and Growth Pact, France has observer requirements of the Pact just 7 times, Portugal and Greece – never (Sofia Fernandes. *What kind of Social Europe after the crisis*. Notre Europe – Jacques Delors Institute, February 2014))

**Role of social partners is diminished** (essential social development factors are determined at EU level, limited participation in the process)

# European Economic Governance and its impact on activities of trade unions

**Eurofond research** – social partners are not prohibited to participate in European Economic Governance process, but participation results in insignificant impact (argument about EU norms set prior to negotiation, limited topics available for discussion, no obligation to reflect view of social partners, short time for discussion)

The most essential impact of the European Economic Governance:

- **important part** of decision making process lifts to higher – EU level
- the **main development parameters** are determined by decisions outside the country

Local decision making level remain important

Social Europe is not a target, **social policy is still responsibility of national governments**

Trade unions should be able to follow decision making process at EU and national level

**Complexity of problems to be solved increase:** the development and employment is influenced by three regulated fields: public finances; innovation, and single market conditions

**Importance of international cooperation and operation at EU level increases**

## General conclusion

Strategy *Europe 2020* and European Economic Governance are aimed at increasing cooperation in elaborating and implementation of economic policy

They are focused on economic growth and employment, economic growth is seen as condition for increasing employment

Business interests are primarily observed in *Europa 2020* and in objectives of European Economic Governance, social aspects are less observed

Participation of trade unions is not prohibited, but also is not promoted

The situation is more favourable for employers than for employees, employers support reforms, gap between short term aims of social partners increases

Capacity of trade unions to deal with wide scope of issues is not estimated and measures are not envisaged for improving participation of trade unions

Impact of trade unions diminishes (membership and representation declines due to structural changes in economics)

**The need for innovation in trade union's work became evident**

## General conclusion

In Latvia, social partners have good institutional basis for participation

Collective bargaining and industrial action is supported by law

Trade union members protected by law in some employment aspects

Operating NTSP – National Tripartite Cooperation Council

Regulation of the Cabinet of Ministers Nr 300 – all issues that are important for social partners should be discussed in NTSP

Participation provided in institutional (ministries, Saeima) and operational (working groups, commissions and committees) units

Critical issues – capacity, implementation of agreements, impact at decision making level

**Where is youth here? – Everywhere!**

## General conclusion

Capacity is concerned with decreasing membership due to structural reforms in public sector and business (restructuring of education and health care, support to small enterprises sector, liberalisation of labour market)

Decreasing membership leads to low financing of trade union organisations (wages, number of employed in trade unions)

Decreasing membership is connected with structural changes in national economy (SME, service sector more than 70% of GDP, manufacturing = 14% in GDP and 14.6 in employment)

Just 8,2% of market sector enterprises in Latvia may have employees representatives

85% of enterprises are micro-enterprises with less than 10 employees (average – 1.5 employees) where employees representatives can not be established

6.7% are non-market sector enterprises

# To do list

## **Improve representation**

To promote trade union's idea in the society (work in schools, higher education)

Increase direct membership (company level trade union organisations)

Introduce representation model of cooperating units in order to cover small and micro enterprises, self-employed

Improve partnership in social dialogue (relevant employers' organisations)

Cover all levels (sector level dialogue underdeveloped)

Increase capacity (knowledge and human resources, education courses in higher education institutions, research )

Increase effectiveness of trade union instruments (collective bargaining, industrial actions)

## **2) Increase activities at EU level**

To achieve recognition in European Economic Governance process

To achieve full right participation at national level

To cooperate with EU level organisations – synergy effect

## To do list

**3) Collective bargaining** should be used as a main tool for achieving trade union's goals

Problem – insufficient coverage, poor sector level dialogue, negotiation skills, research

**Collective bargaining – main target for innovative solutions**

Versions:

- Administrative regulated system
- Voluntary process
- Facilitated by economic stimulus (Latvia's example)
- Cooperation
- And others ...

## Positive movements ahead

Eurofound annual meeting - EU Commission has appreciated significance of social integration and the role of social dialogue in achieving of economic development results (Valdis Dombrovskis)

Several meetings on social dialogue in beginning of 2015 (Latvia's presidency)

Idea of European Social governance appears, European political government is claimed

On other hand – centralisation increases:

**Investment plan for Europe** – centralisation of investment policy, further integration in single market (capital markets) area, and research and innovation policy

**Young people, you are highly welcomed in trade unions!**

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