From:

To: EMPL A2 UNIT;

Subject: FW: Meeting report BusinessEurope Social Affairs Committee

Date: jeudi 29 avril 2021 18:18:44

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Subject: Meeting report BusinessEurope Social Affairs Committee

Dear all

Please find the meeting report of below mentioned videoconference.

KR

Meeting report: Meeting of Commissioner Schmit with Social Affairs Committee of BusinessEurope

Date and place: 16/06/2020, videoconference

Participants:

BusinessEurope: Director General
 ,
 Members Social Affairs Committee BusinessEurope
 (cf list has been submitted)

Commission: Commissioner Schmit, Antoine Kasel,
Ana Carla Pereira, (EMPL A.2)

Summary:

The meeting was held in a very constructive atmosphere stressing the commitment by BusinessEurope to work with the COM in addressing the crisis. Despite regretting that COM did not follow their request on postponing the posting of workers directive, common positions and objectives were stressed. Commissioner Schmit, mentioning the strong COM response to the crisis and the need to save companies in order to save jobs, presented the European Semester as instrument in the context of recovery. He highlighted COM priorities, such as the renewed skills agenda and the updated youth guarantee. On the MW initiative, the Commissioner assured BusinessEurope that concerns raised by their Nordic member organisation are well noted.

Details:

BusinessEurope General Director:

- BusinessEurope and COM have during crisis developed a constructive work relationship and deepened it together with other social partners, working together in a pragmatic way
- Although BE does not always agree with COM (eg posting of workers directive) positions have become closer
- Recovery plan is a bold step and can make a difference
- Without functioning business Europe will not get out of the crisis
- There is a need to spend the money well, which is also linked to structural reforms, and Semester should play a key role
- As said at the Pillar hearing organised by COM on 8 June, BusinessEurope suggests tripartite approach to work together including national social partners and MS, Pillar a "golden opportunity" to discuss

Commissioner Schmit:

- European economic model is based on a strong social partnership, and especially in crisis of utmost importance
- There is a high interest to put the economy back on track and a need to facilitate transformations ahead of us, including digital and green
- There are also opportunities linked to crisis, in order to seize them social dialogue is important
- Besides saving lives COM priorities lie on saving jobs and companies, given whole industrial sectors in trouble

- Important to ensure EU keeps its industrial substance
- COM has proposed instruments for companies to restore their liquidity
- Short term work schemes could cushion negative effects (compared to dramatic unemployment rate rise in US) but are limited
- Key to implement recovery plan also with a view to strengthen internal market and to supply chains, speed and scope is important
- For the future there is a need to look at ways to build resilience and economies that are more able to absorb shocks
- European Semester is an instrument in this context; it can be used to identify weaknesses and strengths and help MS to implement recovery plan
- Amongst upcoming COM initiatives YES Youth Employment Support aimed at avoiding a generation loses linked to Corona and a renewed skills agenda are important
- COM ambition is to strengthen the social market economy with strong level of innovation and investment but also strong level of social fairness

In the <u>discussion</u> the following issues were raised by these members of the committee:

- DE

- Severe concerns regarding posting of workers directive and supply chains; for posting of workers directive practical problems from 1 July expected to arise, ELA is not able to help here, BusinessEurope ready to identify issues
- Pillar hearing welcome, Pillar needs to be seen as joint commitment not as pretext for new legislation

- DK

- On MW: Welcome that Nordic model is acknowledged
- Approach could work for recommendation, but concerns if the instrument will be a directive
- Asks for further assurances for Nordic model

-NL

- Recovery plan should not be on giving money, also about improving functioning of labour markets
- Role of Semester, how to play its central role to helping labour market performane

- FR:

 On skills agenda, priorities presented by BusinessEurope for dedicated hearing in January

remain valid: Digitalisaton and STEM important

 Crisis has acted as accelerator regarding work transitions

Reaction Commissioner Schmit:

Posting of workers directive

 COM aware of difficulties at borders, the problems are not linked to the new directive, but agrees with the need for a balanced solution with a view to bureaucratic burden

Supply chains:

 COM not against globalisation but there is a need to respect basic rights and rules

Tripartite exchange

- Open to this approach, also interesting to hear how it could be done practically
- Unclear how it could be established without creating "big monster parliaments"; we should not create big committees

Short term work schemes:

- Useful tool but cannot last forever
- There is a need to get out of frozen economy

MW:

- DK is providing the right example promoting
- COM takes concerns serious and will study legal implications
- MW needed to promote convergence
- COM cannot take a commitment at this stage as to which form the instrument will be

European Semester:

- Strong internal market cannot function with increasing divergences, therefore Semester is key
- Ensuring that investment follows certain priorities, to improve labour markets and skills
- Key element of organisation of the recovery plan
- Ownership is key, thus social partners need to be involved

Skills

- Work is ongoing with CEDEFOP on better understanding labour market needs
- Regarding STEM and digitalisation EU has to make huge effort Face a lot of skills shortages

The committee chairman concluded by submitting three requests to COM:

- 1. Place enterprises at the centre of economy
- Defend and promote social dialogue capacity building is needed for employers and workers organisations
- Implement structural reforms to improve labour markets in Europe and increase competitiveness of economy

Background:

- The Social Affairs Committee is one of seven Policy Committees of BusinessEurope
- It sets the strategic direction for BusinessEurope's work in the fields of employment and social affairs, and devises actions in the context of the European social dialogue

•	Chair: Mr		(ES), Vice-Chairs
		(SE) and	
	(DE)		