

Scottish Committee – August 2014

Europe Report

Greek Presidency – An Assessment

The Greek Presidency co-incided with the May 2014 Elections to the European Parliament and the subsequent jostling for power among the new groups. The developing situation in Ukraine was also a concern for the EU

Their first priority was growth and jobs, linked to employment and youth unemployment in particular, involving activation of the EU's Youth Employment initiative which highlights high youth unemployment and hopes to provide prospects for the absorption of young people up to the age of 24 into the job market.

They completed several pieces of legislation in the financial services sector to strengthen the transparency and security of the financial system as well as the aountability of those involved.

The third priority was their emphasis on protecting the EU's borders, by supporting a number of measures to ensure that immigration was an issue across all of the states, rather than just those in the main Mediterranean entry points.

One welcome measure was the halving of Data Roaming charges. The costs of sending texts and receiving calls has also come down and from 2016 roaming charges will be scrapped altogether.

On Enlargement accession negotiations were started with Serbia, further progress was made with Maedonia and accession-candidate status was given to Albania. Turkey continues its negotiations with further chapters being considered. Together with the forthcoming Italian Presidency they have organised a Mediterranean Year in the European Union.

The European elections saw a growth of right-wing euroscepticism across many states, including in Britain, the rise of UKIP. The elections ontinues with a downturn in the turnout for the votes from 43% to 42.5%, despite initial claims that the decrease had been halted.

EU Election - UK

Out of 73 British MPs elected, there were 24 for UKIP who topped the poll, followed by Labour on 20, and the Conservatives on 19. 3 Greens, 2 SNP and one each for the Lib Dems, Ulster Unionists, Sinn Fein, DUP and Plain Cymru. The good news was that the BNP lost the 2 seats it previously held. There was a 34% turnout.

Scotland elected 2 SNP, 2 Labour, 1 Tory and 1 UKIP MSPs, showing that Scotland was not immune to the politics of blame, grievance and difference.

Following the elections, there was a jostling for positions to the top posts of th4 European Commission. The President of the Commission is the prime post and 26 out of 28 countries, (with Britain one of the two exceptions) voted for Jean-Claude Juncker, the former Luxembourg Prime Minister.

But British MEPs in particular - the UK Independence Party and the Conservatives - were vocal in their opposition to him. David Cameron had fought long and hard to make sure that he was not elected, backed by most of the UK Media, but was not backed by his colleagues in the other member states.

Mr Juncker, 59, based his claim to the EU's top job on being the *Spitzenkandidat* (lead candidate) of the centre-right European People's Party, which was the largest group after the May elections.

UNISON Scotland published a manifesto under its Public Works banner. It included several questions to ask prospective MEPs, including:

- 1. Will you vote to exclude public services from any trade deal?
- 2. What will you do to close the gender pay gap?
- 3. Will you support a guarantee that economic freedoms cannot take precedence over fundamental social rights? The fundamental notion of social progress must be confirmed by a 'Social Progress Protocol' appended to EU Treaties.
- 4. The EU is negotiating a Trade deal (Transatlantic Trade and Investment Partnership) with the US just now. Do you believe people have the right to know what is being discussed? And will you support all of the EU's proposals and negotiating mandates in those talks being published?
- 5. The EU has signed trade deals which have a procedure called investor-state dispute settlement (ISDS) this is a technical term for a process where companies have the right to sue foreign governments if they don't like the local legislation. Will you campaign and vote for ISDS to be excluded from any future EU trade deals and removed from existing agreements?
- 6. Will you support strengthening the Posted Workers Directive to stop employers undermining local and national agreements and preventing legislative measures being enacted by Government?

<u>Transatlantic Trade and Investment Partnership (TTIP)</u>

The TTIP is a trade treaty currently being negotiated between the US and the EU. There is much disquiet amongst trade unions about this treaty who feel it should only be supported if it protects the core conventions of the International Labour Organisation, such as freedom to belong to a union, collective bargaining and the right to strike. The negotiations are currently being negotiated behind closed doors. One provision of the treaty is the controversial Investor-to-State Dispute Settlement (ISDS) which allows corporations, banks, and other private investors to challenge legislation in a member state that they believe threatens their interests and profits. The main worry about this provision is that public services, including healthcare, education and environmental protection could be worstened by it.

The ETUC recently met with the AFL/CIO to discuss the treaty and agreed a set of demands that should be met and they both agreed to continue to work closely to fight for their agreed demands.

An EU-Canada trade deal was concluded in May, and again the ETUC expressed its concerns that that deal should not be used to influence the US treaty and bring in ISDS by the back door.

<u>Austerity Measures/Trade Union Issues</u>

Despite early signs of economic recovery, with even Greece seeing light at the end of its financial tunnel, the ETUC believes that the European economy is far from healthy. There has been no significant fall in employment across member states and continued poverty and inequality still point to a bleak future.

As part of the New Path for Europe Campaign, on 4th April, 50,000 workers from 21 European countries took to the streets of Brussels to express their dissatisfaction with the economic situation and the economic policies being pursued. The crisis of unemployment and poverty has yet to be tackled and trade unions are fighting for new policies to get Europe back to work. The ETUC believes that austerity is not working. Austerity has caused a mounting social and economic crisis: over 26 million Europeans are jobless, 10 million more than in 2008. The New Path for Europe calls for investments, quality jobs and an end to inequality.

Legislation/Employment Issues

Maternity Leave Directive

The Bill to reform the 20 year old laws on maternity leave has been withdrawn after being stuck in the legislative system for too long and failing to reach agreement. The trade unions through the ETUC and EPSU and women's groups have made an appeal against the withdrawal of the legislation. EPSU in particular believes that it will be extremely negative for the new Commission to start on such a wrong footing and has called on the European Parliament to defend women's rights, especially those of working women.

Posting of Workers Directive

At a vote in the European Parliament in April, MSPs failed to back any amendments to strengthen enforcement of the Posted Workers Directive. The current rights were minimal and weak and this failure seems likely to undermine the ability of those states who did try to enforce this Directive to do so in future.

One example of the vote weakening enforcement is in the area of sub-contracting. Eight member states have national laws making all companies in the sub-contracting chain potentially liable for breaches of contract such as non-payment of wages. The Enforcement Directive agreed by the Parliament allows such laws only as long as they are "proportionate" – which gives the European Commission a green light to screen such legislation in the light of allegedly more important internal market objectives.

Italian Presidency: July – December 2014

Italy took over the Presidency in on 1 July, led by the new Italian prime minister, Matteo Renzi. Migration and the EU's stability and growth pact will be its main policy priorities. The Italians want the Pact's rules to be interpreted in a more flexible way to encourage more public investment. They also want to strengthen the EU's approach to migration, particularly from north African countries affected by the Arab Spring, with one possibility to create an integrated system of Border Control Guards across Europe.

The Italian Prime Minister has also expressed concern at the rise in support for the farright and eurosceptic parties which he felt could lead to anti-European, xenophobic views becoming more prevalent.

As the new Commission will not be in place until October, this presidency is well placed to shape the agenda for the next five year legislature.

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