

Europe Report

Hungarian Presidency – An Assessment

The Hungarian Presidency, led by Viktor Orban, began in January 2011 amidst a row in its own country about freedom of the press. A new law had come into force in Hungary on 1 January 2011 which critics said contravened EU regulations on balanced reporting, including video blogs; covered foreign media organisations and restricted rights of freedom of expression by requiring all media services to register with a new authority. The row was not diffused until February, following discussions with EU communications experts.

The Presidency was dominated by problems within the Eurozone, the Japanese earthquake and the Arab Spring.

The fall out from the Arab Spring and the subsequent attacks on Libya led to a huge influx of migrants from Tunisia and Libya into Italy and Malta. France refused to allow the new migrants entry even when Italy had given humanitarian travel permits to refugees and subsequently a key meeting was held in April to ensure that all EU countries agreed to resettle some of the thousands of refugees that continued to arrive.

Despite the problems, Hungary was pleased with its Presidency which it believed had been Parliament-friendly, and had assisted interinstitutional cooperation between the different presidents of the European Council, Herman Van Rompuy, the President of the Commission, Jose Manuel Barroso and the President of the Parliament, Jerzy Buzek.

The Presidency had also brought in a Roma strategy to assist several thousand members of that community to enter the labour market; it developed a Danube strategy to improve transport, energy, environmental, security and socio economic development among 8 EU and 6 non-EU countries and almost completed the Croatian accession to the EU which it is believed will come into force by 2013.

Eurozone/Austerity Measures

Further problems hit the Eurozone countries, with Greece in particular being unable to guarantee to meet its debts, despite a €110bn bailout in May 2010. Concerns spread regarding Portugal, Spain, Ireland and even Italy. A second bail-out for Greece of €109bn was eventually agreed in June, and a lower interest rate for the repayment of both loans given along with a longer payment term of between 15-30 years. In addition, the same beneficial interest rates and payment terms were given to Portugal and Ireland.

The second Greek bail-out was only agreed, however, after the Greek Government was forced to introduce further austerity measures and the vote on this was passed amid protests and riots on the streets of Athens.

The ETUC continued its “No to Austerity” campaign. In an act of solidarity, the ETUC held its 12th Congress in Athens in May; reasserted its rejection of austerity and discussed ways to counter the brutal attacks that were ongoing in Europe against workers rights and conditions. In his speech, outgoing General Secretary, John Monks, said that the austerity measures so far imposed on European states was not working, creating stagnant growth in many countries (including the UK) and urged EU leaders to change the direction of travel, to bring in measures to assist growth. He also called for greater equality, more measures to assist young people and a more sustainable environment and economies. He finished by urging the Parliament to combat the rise of the eurosceptic and nationalist right wing parties to ensure that they never came to power within the EU.

Across Europe there continued to be protests and demonstrations against the austerity plans being put in place. In France at the beginning of the year, there were protests against measures on pensions; Belgian workers took to the streets on 24 March; our own mass demonstration took place on 26 March; there was a demonstration in Budapest on 9 April; a successful general strike in Italy on 6 May and another demonstration in Luxembourg on 21 June.

The ETUC campaign against austerity in Europe was given new impetus with the adoption of the Athens Manifesto at the XII Congress and an emergency resolution. The ETUC’s overarching priority remains what type of economic governance needs to be put in place in Europe: what is currently being proposed by European institutions consists of making wages and workers the only variable in the economy.

Despite opposition, the Commission continued to push austerity as the only option for economic recovery. The recommendations were based on assessments of all Member States’ plans for sound public finances and policy measures to boost growth and jobs. The recommendations given by the Commission to countries which have followed less severe austerity programmes include retirement age increases, wage setting reforms to match productivity levels, the overhaul of ‘unwieldy’ collective bargaining systems and deeper budget cuts.

European Trades Union Congress (ETUC)

As mentioned above, John Monks, General Secretary of the STUC retired after the Athens Congress. His successor will be Bernadette Segol, the first woman to hold the office. Ms Segal from France has previously been an Assistant to the General Secretary of the International Textile Workers’ federation.

Legislation/Employment Issues

Maternity Directive

The European trade unions have expressed their frustration at the lack of progress on the revision of the pregnant workers' directive which would have improved maternity rights for millions of women across the EU. At a meeting of the Employment, Social Policy, Health and Consumer Affairs Council in Luxembourg on 17 June, the EU Employment Ministers failed to reach agreement on the revision of the Directive, many blaming excessive costs as the reason. This means that any progress on the improvements has now been blocked. The amendments included 20 weeks maternity leave, which was proposed by the European Parliament, or even 18 weeks as recommended by the ILO. The proposals also included increased legal protections for pregnant workers.

Update on Posting of Workers Directive

On 27-28 June at a conference on fundamental social rights and the posting of workers in the framework of the single market, Commissioner László Andor announced that by the end of 2011, he would present two new proposals to clarify the existing legislation. A draft regulation will aim to clarify the exercise of freedom of establishment and freedom to provide services while respecting fundamental social rights, in particular the right to strike. The idea is to clarify the extent to which trade unions can use the right to strike in the case of cross-border operations, without reversing Court of Justice case law.

The ETUC believes the Commission's intention of clarifying the existing rules is not enough and wants a revision of the directive and a social protocol at European level that gives priority to fundamental rights over economic rights. In their opinion, that is the only way to move beyond the misunderstandings created by the Court of Justice rulings, which give priority to economic freedoms.

Working Time Directive (WTD)

The Commission conducted a 2nd phase consultation on the WTC during the first part of 2011 and had received 50 replies at the closing date. The ETUC is seeking a broad review on the directive although some affiliates were only interested in implementing the European Court of Justice (ECJ) case law on on-call time and accrual of annual leave whilst on sick leave. In addition, the ETUC only wants to negotiate on the basis of an end to the opt out. The Commission continues to pursue infringement proceedings against a few member states.

New statistics show that full-time employees work an average of 40.4 hours a week, with the UK working the longest at 42.2. They also showed that contrary to stereotypes, Greeks work longer hours than most Northern European countries.

Privatisation of Water and other public Services in Italy

The European Federation of Public Service Unions (EPSU) welcomed the result of the referendum that took place in Italy on 12-13 June in which in a turnout of 55%, over 95%

voted against the proposals, despite an attempt by Berlusconi to persuade voters not to turn out, thus making the referendum inquorate. The battle against the privatisation proposals had taken 7 years. EPSU will continue to campaign against privatisation of water and other services across Europe.

Polish Presidency: July to December 2011

Donald Tusk, the Polish Prime Minister took up the Presidency on 1 July 2011, promising greater integration of Europe as his main priority.

However, concern has been expressed about Poland's stance on EU Climate change Policy. At a meeting on 22 June, Poland opposed all the other EU countries to block the conclusions of the EU environmental ministers council., The council wanted to adopt stricter carbon emission targets, endorsing the commission's 2050 Roadmap calling for a 40 percent cut in carbon emissions by 2030, a 60 percent cut by 2040 and a 80 percent cut by 2050, compared to 1990 levels. Poland has a large number of coal-fired power stations which produce almost 85% of its electricity. Most of these are more than 30 years old. In addition, Poland has no Renewable Energy Law, despite the minimum requirements of EU Legislation.

Poland also hopes to open greater integration talks with Ukraine with a view to them one day joining the EU. This will open a market of 46 million people to EU trade.

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