Austerity, rights and democracy

A guide for trade unions
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Foreword

Ulisses Garrido
Director – Education Department
ETUI

This training kit, pertaining to Austerity, Rights and Democracy: the Need for a Social Compact for Europe, was produced by the Education Department of the European Trade Union Institute in cooperation with the European Trade Union Confederation (ETUC) and with financial support from the European Commission. It will be available in several languages and ready to be used freely by trade unions throughout Europe for their training purposes.

In societies subjected to austerity and exceptional rules, changes in the labour law and the rights of workers, without social dialogue, are endangering democracy and threatening the European project. Against this background, the Education Department intends to develop an educational tool with this training kit for trade unionists at national level vested with permanent responsibilities in their organisations – an educational structure to be implemented at European level by the member organisations.

The purpose of this training initiative is to analyse the current situation of the countries, the consequences of austerity policies on the rights of workers and the European trade union discourse in relation to European values. This tool will enable the trade union movement to defend democracy and to promote the social compact during a particularly critical and even dangerous period for the European Union.

The trade union education activity developed on the subject of austerity and its consequences is a more than pressing necessity. The need to define, prepare and implement a coordinated trade union strategy in a European perspective can find substantial support in the concerted educational activities of affiliated organisations, thereby providing a common trade union perspective on a question of common interest and pursuing a constructive contribution to a common solution at European level.

From the educational point of view, the kit was designed to provide European added value to trade union education developed by the affiliated organisations, by proposing a common methodology at European level and a unitary approach among training departments to broach this topic of strategic importance for trade unions in Europe.
The training tool you have in front of you is a framework designed to be adapted to the national trade union situation, the target group and the specific features of education practices in the different national trade unions. The trainer responsible for the implementation of this course will adapt the material to the particular features of his or her organisation and to the education needs, and draw on his or her educational experience to get the message across and to attain the training objective.

Acknowledgements for the production of this training kit:

We wish to thank the project team composed of Alina Caia, CNSLR-FRATIA, Isabelle Ourny, ÖGB, Christos Triantafillou, INE-GSEE and Antoine Cochet, as well as the participants to the trainer training course on 18 and 19 November 2013 in Madrid.
Methodological note for trade union trainers on how to use this training kit

This training kit is intended to be an educational tool that will enable national trade union trainers to develop comparable activities on the topic of austerity, i.e. added value for each national approach.

The kit is structured in a specific manner to serve the education needs in the affiliated organisations, independently of the educational approach chosen. It contains essential elements that will enable trade union trainers to develop courses at the national level:

- Introduction to and importance of this topic from the perspective of trade union policies at European level
- General indications on the kit and recommendations for use by trade union trainers at national level
- Educational planning of the training course to be implemented at national level, structured in terms of:
  - The training sequence for the trainers
  - The information on the topic
  - Methodological suggestions for the trainers
  - Educational materials to be distributed to the participants

Annex: Available resources on the topic

The information part of this kit provides the essential elements concerning the European trade union perspective on austerity, rights and democracy – the need for a Social Compact for Europe – and to place it in the respective national situations, actions and positions of the different trade unions affiliated with ETUC. This information part may of course be adapted according to the national situation and the perspective of the trade union that will use it. What is needed, as required by the topic itself, is to keep a European perspective, since the main objective is to answer these questions in a logical and coherent manner from the trade union perspective at the level of all the member organisations.

The methodological scenario proposed by this educational tool consists of guidelines and valid recommendations in general, and must therefore be used
as such. We propose a methodological structure that gives national trainers the educational instruments and information they need to conduct the training course. Everyone is free to adapt the suggested training techniques according to their training skills, the characteristics of the target group, and the specific implementing conditions of their own trade union. The kit meets the education engineering requirements, according to the principles of adult education and the educational approach selected by ETUI in terms of an active methodology, working with the experiences of the participants, a capacity for adaptation, flexibility, portability of knowledge and skills, as well as multicultural perspectives – all in a general, complex, and cumulative framework at European level for vital social issues such as rights and democracy in Europe as required by a social compact.

This kit comprises a structure of standard courses and a set of structured activities to meet the needs identified by the organisations so as to implement training programmes at the national level.

The educational materials added are also based on ETUI’s experience in European trade union education and favourite approach – an approach that puts the participant and his or her (general and topic-related) experience centre stage by ensuring that the subject of the training course makes an active contribution to the training process.

ETUI has opted for an active methodology and this training kit comprises activities based on the experience of participants by using their own knowledge, skills and experience relating to the topic as resources for work in groups or discussions in plenary sessions.

For the sake of clarity in assigned tasks, we provide materials to be distributed to the participants before the work, called Activity Sheets. An Activity Sheet provides all the information participants need to perform the task: the objective of the activity (why), the work to be performed (what), the expected result (how), the resources (with what) and the time (when). This material is a tool for the participant that helps him or her, whenever the need arises, to refer to the task and the way that s/he is developing individually, in pairs, or in workgroups.

The activities are designed according to a rationale of integrating new training experiences through individual reflection based on personal experience with the topic, followed by a discussion in small and medium-sized groups, aimed particularly at sharing the individual perspectives and combining them in a joint report. The conclusions are drawn during plenary discussions and finalised by the trainers, after pooling the feedback from work in groups, comments and additions.

The way to transfer the information content and insert it in the training sequences is the responsibility of national trainers who will implement the course in the organisations by choosing the most appropriate techniques for the target group and the specific features of the trade union concerned. The procedure
Austerity, rights and democracy may take the form of a PPT presentation and an interactive explanation using a flip chart, according to the characteristics of the apprenticeship process, the characteristics of the group and the educational style of the trainer.

The adaptation of the content provided by this guide is part of the preparation work for the training course, and one of the trainer’s tasks, even if it was produced by a team of experts and Euro-trainers by ensuring not only the scientific quality and educational value of the information section, but also the trade union contents and strategies.

The annex places at the disposal of the national trainers the educational and information material to be used by the participants, ready to be customised in terms of the date and place of the training, before it is multiplied.

The group facilitation techniques and the opening and closing parts of the training provide a platform for trainers to show their educational acumen, taking into account the educational requirements and trade union culture of the organisations. ETUI provides recommendations in a multicultural perspective and from the point of view of European trade union education, by providing a unitary vision of trade union training at European level, with its specific organisational and cultural features and all the influences that are exerted in the different countries.

The assessment is carried out in two areas: assessment of the participants and assessment of the training. The assessment of the participants comprises three forms: initial assessment (preliminary work), training assessment (conducted continuously by the national trainers according to their experience and educational approach), and summative assessment (drawing up a plan of proposals for the organisation).

The assessment of the training comprises the short-term impact using the form for assessment by the participants at the end of the training. It will be followed by an assessment from the educational point of view by the trade union trainers who will have given the course. The long-term impact will be assessed by the member organisations which organise the training course at national level.

The national trade union trainers will be prepared through a trainer training course, and will then be able to refer to ETUI for the implementation of the course at national level.

ETUI expects feedback from the affiliated organisations and the national trainers in order to adapt the guide optimally to the real education needs in the member organisations and those of the trade union trainers working at the national level, so as to reach a concerted point of view on the topic of austerity, rights and democracy at European level.
Educational planning

Austerity, rights and democracy: need for a social compact for Europe

Educational objectives of the training course

1. Analyse the austerity policies and/or National Reform Programme
2. Become aware and assess the impact of the policies applied (radical policies and radical changes concerning labour relations – labour code) on workers and the trade unions.
3. Identify the problems and challenges for wage negotiations by examining recent wage developments
4. Analyse the responses of trade unions at national level to the austerity policies and radical changes concerning labour relations.
5. Summarise the European trade union discourse and positions concerning the austerity policies and European governance.
6. Discuss initiatives and alternative approaches to solutions at the national and European level such as ETUC’s Social compact, for example.

Target group
Trade union staff

Duration of the training period
2 days (12 hours)

Evaluation

Assessment of the participants:
- Initial assessment (experience of the participants on the subject)
- Training assessment (observation, written assessment, reciprocal assessment, self-assessment)
- Summative assessment (individual / national action plan)

Assessment of the seminar:
- Questionnaire for assessment by the participants
- Assessment by the training team
# Two-days training programme

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.00</td>
<td>1. Opening&lt;br&gt;Presentation: &lt;br&gt;– European context of the training course – Training objectives&lt;br&gt;– Programme and work method&lt;br&gt;– Participants and trainers</td>
</tr>
<tr>
<td></td>
<td><strong>2. Economic crisis and austerity policies in Europe.</strong>&lt;br&gt;<strong>Impact on democracy</strong>  Presentation</td>
</tr>
<tr>
<td></td>
<td><strong>Coffee break</strong></td>
</tr>
<tr>
<td>12.30</td>
<td>2. Economic crisis and austerity policies in Europe. &lt;br&gt;<strong>Impact on democracy</strong>  continued – Discussion</td>
</tr>
<tr>
<td>14.00</td>
<td>Lunch</td>
</tr>
<tr>
<td></td>
<td><strong>3. Crisis and labour law reforms</strong>  Workgroups</td>
</tr>
<tr>
<td></td>
<td><strong>Coffee break</strong></td>
</tr>
<tr>
<td>17.30</td>
<td>End of the day</td>
</tr>
<tr>
<td>19.00</td>
<td>Dinner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.00</td>
<td><strong>Summary of the previous day</strong></td>
</tr>
<tr>
<td></td>
<td><strong>5. Austerity policies:</strong>&lt;br&gt;Response of trade unions on a national scale&lt;br&gt;Workgroups&lt;br&gt;Presentation&lt;br&gt;Discussion</td>
</tr>
<tr>
<td></td>
<td><strong>Coffee break</strong></td>
</tr>
<tr>
<td>12.30</td>
<td><strong>6. Austerity policies: Response on a European scale</strong>&lt;br&gt;ETUC’s social compact. Alternative approaches to European solutions and collective actions&lt;br&gt;Discussion</td>
</tr>
<tr>
<td>14.00</td>
<td><strong>Coffee break</strong></td>
</tr>
<tr>
<td>17.30</td>
<td>Departure of participants</td>
</tr>
</tbody>
</table>
Preliminary work by the participants

This activity is based on an Activity Sheet sent to the participants with the training course, requiring preliminary work to familiarise themselves with the subject and to participate actively during the course. The preliminary work is based on the knowledge of their own organisation’s position on the situation and consists of identifying the main recent changes to the labour code and collective protection for workers, from a trade union perspective. The Activity Sheet for the preliminary work is sent at the same time as the confirmation of participation in the course.
Objectives:

- Familiarise the participants with the subject of the training course
- Summarise the main recent changes concerning labour relations – labour law
- Contribute to the work to be carried out during the training course

Task:

Before arriving at the training course, you are requested to prepare a coherent summary of your knowledge of and experiences with the main recent changes in the labour law and collective protection for workers, to be shared with the other participants.

Report:

The material will be used during the seminar.

Temps:

To be prepared before the seminar.

Reference:

- Personal experience
- National discussions and trade union activities
- Activity Sheet
- Appended grid
Main recent changes (reforms, measures) to labour law and collective protection for workers

### Recent reforms / measures and impact

<table>
<thead>
<tr>
<th>1. Collective and individual redundancy procedures</th>
<th>Recent changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.1 Definition of collective redundancies</strong> (notion of economic reasons, authorised thresholds, etc.)</td>
<td></td>
</tr>
<tr>
<td><strong>1.2. Collective redundancy procedures</strong> (reduction of periods of notice, simplification of administrative procedures, obligations of severance schemes, access to labour tribunals, etc.)</td>
<td></td>
</tr>
<tr>
<td><strong>1.3 Cost of redundancy for the company</strong> (severance pay, sanction, etc.)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Precarious contracts</th>
<th>Recent changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.1 Fixed-term contract</strong> (maximum period, maximum number of fixed-term contract renewals)</td>
<td></td>
</tr>
<tr>
<td><strong>2.2 Part-time</strong> (overtime, etc.)</td>
<td></td>
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<tr>
<td><strong>2.3 Temporary work</strong></td>
<td></td>
</tr>
<tr>
<td><strong>2.4 New types of contract</strong> (specific categories, young people, work-linked training)</td>
<td></td>
</tr>
</tbody>
</table>

| 3. Working time **(possibilities for overtime and pay cuts, extension of reference period for calculating the working time, short-time working arrangements (weekly working day))** | Recent changes |
### 4. Systems of industrial relations and collective bargaining

- Decentralisation of collective bargaining (to company level)
- Hierarchy of collective bargaining agreements and principle of applying the most favourable agreement for the worker
- Possibilities of adverse exemption from the protection of higher level collective bargaining agreements and legal provisions
- Representativeness of the social partners (extension of the prerogatives of trade unions to other worker representation bodies)
- Conflict settlement bodies
- Role of the (tripartite) social dialogue bodies

### 5. Other

**Taxes on wages**

**Social protection**
# Training sequence 1

<table>
<thead>
<tr>
<th>Educational objective of the sequence</th>
<th>Familiarise the participants with the ETUI project on austerity, rights and democracy</th>
</tr>
</thead>
</table>
| Educational sub-objectives           | – Make the participants aware of the importance of the project  
|                                      | – Identify the basic elements concerning the training course  
|                                      | – Introduce the participants and the trainers |
| Educational actions                  | RAISING AWARENESS among participants through questions and answers  
|                                      | THEORETICAL PART, presentation of the training course under the ETUI project  
|                                      | APPLICATION, presentation game |
| Methods and techniques               | We propose the following methods:  
|                                      | INTERACTIVE METHOD for raising awareness (questions and answers)  
|                                      | AFFIRMATIVE METHOD for the theoretical part, presentation  
|                                      | ACTIVE METHOD for the application, the introduction of the participants and trainers |
| Resources                            | The framework of the ETUI project - Austerity, rights and democracy - the need for a Social Compact for Europe  
|                                      | Training kit (the foreword, introduction and importance of this topic from the perspective of trade union policies at European level)  
|                                      | The programme of the training course  
|                                      | Power Point Presentation / flip chart  
|                                      | Experience of the participants |
| Time                                 | 1 h |
Information on the topic

Use the foreword and introduction whilst stressing the importance of this topic from the perspective of trade union policies at European level through the preferred method of the trainers, using a Power Point presentation or a flip chart. The objectives of the training course must also be introduced.

Methodological advice and guidance

Questions and answers
– What is austerity?
– What are rights and democracy?

Introduction of the participants and trainers (active methods)
– Introduce yourself by giving your name, organisation and title; mention also what you expect to get out of this training course.

Aspects to be highlighted:
– The context of the ETUI project
– The purpose of this project from a European perspective
– The objectives of the training course in relation to the expectations of the participants
– The programme of the training course

Discussion:
– European values
– Democracy and the European project

Educational materials to be distributed to the participants

The programme of the training course
### 2. Economic crisis and austerity policies in Europe. Impact on democracy

#### Training sequence 2

<table>
<thead>
<tr>
<th>Educational objective of the sequence</th>
<th>Analyse the austerity policies and/or the National Programme of Reforms</th>
</tr>
</thead>
</table>
| Educational sub-objectives           | – Make the participants aware of the impact of austerity policies on workers  
                                          – Define the basic elements concerning the austerity policies at national and European level |
| Educational actions                  | RAISING AWARENESS among participants through brainstorming  
                                          THEORETICAL PART, presentation by an expert (European overview)  
                                          APPLICATION through discussion |
| Methods and techniques               | We propose:  
                                          INTERACTIVE METHOD for awareness raising (brainstorming)  
                                          AFFIRMATIVE METHOD for the theoretical part, presentation by an expert  
                                          ACTIVE METHOD for the application (discussion) |
| Resources                            | Training kit  
                                          Power Point Presentation / flip chart  
                                          Experience of the participants |
| Time                                 | 1 1/2 h |
The European Union is faced with a complex crisis. The financial crisis which started in the United States in 2007 and grew worse in 2008 revealed deep cracks in the architecture of the economic and monetary union (the design weaknesses of the EMU, existing imbalances, structural deficiencies). As the European governments endeavoured to address the danger of financial collapse (by adopting plans to bail out and recapitalise the banks) and the impact of the deepest recession since the 1930s, public deficits soared. The debt crisis which broke out in Greece in 2010 spread rapidly, first to Ireland and Portugal, then to Spain and Italy.

Austerity policies were imposed on Eastern European countries first (Baltics, Hungary, Romania, etc.), and then countries in the eurozone’s periphery as conditions to be met in order to obtain financial support from the European Union and the International Monetary Fund. But austerity policies are now being implemented in more and more countries (including rich countries which constitute the core of the eurozone), exerting downward pressure on wages, public services, social security, pensions and working and living conditions.

Drastic cuts in social policies and public services have been observed in many EU Member States since 2010, and it seems that workers, civil servants, pensioners and recipients of social benefits are generally bearing the brunt of the crisis. The need to tackle the debt and the citing of the risk of a downgrade by the rating agencies and sanctions by the financial markets not only lead to cuts in education, health and public investments, but also provide an opportunity or pretext to adopt neo-liberal reforms concerning in particular pensions and the labour market, while new privatisations of public services is on the agenda, particularly in countries in difficulty.

Even if they are not all as severe, the austerity programmes adopted since the beginning of the crisis in the Baltic countries, Hungary, Romania, etc. and a little later in the eurozone’s “peripheral” countries (Greece, Ireland Portugal, Spain, Italy, etc.), generally provide for drastic cuts in public spending prone to fuel the recession.

Consequently, austerity policies pursued simultaneously that attack the symptoms of the crisis, and particularly their effects on the public finances, but not

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1 "Anti-crisis” measures had been taken in different countries before 2010 to save jobs and sustain income: short time work, flexibility in the organisation of working time, support for the purchasing power of workers and the unemployed, measures in favour of precarious contracts, training measures, etc.

2 These countries were affected by the crisis in 2008, following the decline (and even a reversal) of capital inflows which affected their growth model. Adjustment programmes were put in place with the IMF.
the root causes, risk compromising the exit from the crisis. Nor should we forget the consequences for segments of the population that are hard hit by these measures and the questions of social justice that they raise.

Under the deeply conservative policies adopted by the European and national authorities to tackle the crisis, unemployment, inequality and social misery are up in most of Europe. Austerity policies are seriously worsening the living conditions of millions of Europeans, particularly in the south and east of the EU (average unemployment rate exceeding 25% in Spain and Greece, with youth unemployment over 55%).

Instead of combating speculation efficiently (including on the public debt), controlling finance, eliminating tax havens, fighting against tax evasion and fraud, harmonising corporate taxes, and taxing financial transactions, austerity policies put the stress on reducing spending drastically which leads to cuts in funds for public health and education, social welfare and benefits, but also public investment (postponement or cancellation of infrastructure projects). The European institutions recommend (and in certain cases impose) greater flexibility in the labour markets, wage freezes or reductions, cuts in pensions and increases in pensionable age, measures to facilitate redundancies (relaxation of restrictions and cost cuts, redundancies among civil servants), and measures to limit unemployment benefits (conditions of access, reduced allocations, etc.).

The adjustment programmes applied under the Troika’s thumb in countries in difficulty impose budgetary shock therapy (cuts in spending pertaining essentially to pensions, personnel and wages in the public sector as well as social expenditure) accompanied by an internal devaluation rationale (sought essentially through wage cuts in the private sector).

The crisis started in the financial sector in 2008, and the political discourse at the time stressed the need to regulate (control) finance and subject it to the demands of democracy. Governments saved the banks with taxpayers’ money (without anything in return), but little was done to control finance and to “free” the governments from the clutches of the markets.

The current crisis is a deep crisis of financial capitalism, calling for a strong response from governments to reduce the importance of finance and dependence on public and private debt, so as to chart a macro-economic strategy for return to full employment. The European authorities have nonetheless refused to reconsider their strategy in any way.

The current European policy considers that austerity and improvement of competitiveness are key elements for getting out of the crisis. Wages and the cost of labour are considered as the key adjustment element for improving national competitiveness.

The choice of growth policies (by competition and competitiveness) and employment policies (through the introduction of flexibility and deregulation of
labour markets) leads to a weakening of social cohesion and a rise in inequalities not only in terms of income, but also of education, training, access to the labour market, social protection and health.

In fact, the choice of policies implemented in the European Union weakens the mechanisms designed to fight efficiently against inequality and to get out of the crisis from the top down thanks to greater cohesion and prosperity. The results of the applied policies prove that Europe is on the wrong track. ³

Apart from the social injustice that they cause by hitting the most vulnerable first and foremost (increase of VAT and taxes, cuts in spending for social welfare, health and public education, and deterioration of public services), the austerity programmes are also having recessionary effects and cause prolonged unemployment (in Spain and in Greece, for instance, youth unemployment exceeds 55%, long-term unemployment is up, vulnerable groups are excluded from the labour market, etc.).

In spite of the austerity programmes implemented throughout Europe, far from declining, the public debt to GDP ratios are expected to go up again in 2013 in nearly all the countries.

The development of the public debt depends on the relation between the growth rate and the interest rate. The fight against deficits is actually only one of the variables for reducing the public debt; the two others being the growth rate and rate of interest paid on the debt. Interest rates are low and the situation is made worse by the austerity programmes implemented in the Member States (for instance, Greece has gone through six consecutive years of economic depression, with an accumulated drop in GDP hovering around 25% in 2013).

Some countries have been hit much harder than others by the debt crisis (Greece, Ireland, Portugal, Spain, Italy). Apart from the social disaster that they cause, the severe austerity budget policies applied and the drop in wages (through an internal devaluation approach) do not lead to the stabilisation and reduction of public debt.

“The growth in economic and social disparities in the EU Member States, but also among the different groups and categories in society, not only imperil the future of Social Europe but also threaten to upset the entire European integration project. The post-2008 recession and the debt crisis, which were exacerbated by the obstinacy of European leaders to stick to inefficient budget austerity remedies, have accelerated the disillusionment of millions of European citizens with the half-century old project for the construction and con

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³ Benchmarking Working Europe, Etui 2012.
solidation of the European Union." This is one of the challenging conclusions in ETUI’s report: Benchmarking Working Europe 2013.

The current trends are leading to a rise in economic and social differences and inequalities throughout the EU, as the applied policies are dangerously fuelling a divergence and not a convergence process. Europe is sorely lacking an economic strategy, a social project and democratic functioning. It is high time to change policies if we want to keep the European integration project alive.

European Economic Governance

The “new European economic governance” is a set of regulations, procedures and institutions put gradually in place, aimed principally, according to its designers, at reinforcing the stability of the Eurozone by putting in place new mechanisms for monitoring, sanctions and coordination, as well as – perhaps in future – solidarity. In 2010, the Europe 2020 strategy, introduced the “European semester” as the annual cycle for the European coordination of economic policy. In 2011, the Euro Pact plus intensified the coordination on economic policy. Since then, a series of changes in governance have been put in place in the EU: new legislation, such as the Six pack, which reinforces the rules of the Stability and Growth Pact, new governmental agreements and treaties, such as the Treaty on Stability, Coordination and Governance (TSCG) with stronger constraints on the budgets of the Member States.

Under the European Semester, the Commission and the Council inspect the macro-economic policies and the “National Reform Programmes.” These changes put the countries in economic difficulties under a complete guardianship system, with continued pressure to reduce public spending, weaken labour regulations and privatise public assets. For Member States that have received financial support (“bailout” plans), the controls and restrictions are even more intense, equivalent to a total loss of autonomy. The countries of the South are plunged in a deep depression and must continue to take new austerity measures.

The Member States are required to implement austerity policies in a period of recession. A real coordination policy cannot be imposed on the Member States through rigid rules and without economic foundation.

5 Christophe Degryse « The new European Economic Governance”, ETUI 2012.
The crisis of the EU’s legitimacy is exacerbated as a result of this trend.

From the moment that important decisions are taken without democratic deliberation and national social models are disorganised and dismantled in the name of competitiveness and the consolidation of public finances, and the democratic deficit widens.

Social Europe is regressing. The EU is requiring countries in difficulties to reduce pensions, wages, unemployment benefits, family allowances and universal health insurance.

Taxation competition persists (in particular taxation levied on companies and capital) and the crisis did not lead to making an end of tax havens and tax evasion.

In spite of the deindustrialisation that many countries are suffering, no European industrial policy strategy has been implemented, and in spite of a high degree of awareness about climate change, Europe is finding it difficult to embark decidedly on the ecological transition.

The European authorities persist in a strategy geared to paralysing national policies and imposing liberal structural reforms, which up to now have not succeeded in stimulating growth, and have made the EU unpopular.

The deepening of the crisis in the EU clearly shows the need for a fundamental change of course in Europe by giving priority to decent employment and social justice, if we want to avoid an even more severe crisis of legitimacy for the EU, which would imperil the European integration project.
The austerity policies and measures adopted in the different countries, which will be analysed and assessed during the course, are to be defined (selected) by the national trade union trainers in accordance with their importance and their national specific features, by adapting the elements of the grid below in an adequate manner:

1. **Main austerity measures / “structural” reforms and impacts:**

   **Public spending**
   - Wages (public sector)
   - Financing of social protection and public services (pensions, health, social services and benefits),
   - Public investments

   **Unemployment insurance**
   Unemployment benefits:
   Conditions of eligibility (amount, duration, etc.)

   **Pensions**: age, number of years worked, amounts of pensions (replacement rate), early retirement, etc.

   **Public services** (health, education, ...)

   **Privatisations?**

   **Public revenue and fiscal policy**
   - Indirect taxes (VAT, charges, etc).
   - Income tax,
   - Corporate tax,
   - Tax evasion and fraud

   **Other**

2. **A series of selected indicators can also be used to assess the results of the policies applied**

   - Trends in economic indicators (GDP, public deficit, public debt, current balance of payments, GFCF investments (gross fixed capital formation, etc)).
   - Trends in labour market indicators (employment rate, unemployment rate, precarious jobs, in-work poverty, etc).
   - Wage trends (minimum wage, real average pay per employee, etc.).
   - Other social indicators: poverty indicators, material deprivation, social exclusion, inequality indicators, etc.
   - Other
3. **Reflections on European policy (Economic Governance)**

*It would also be interesting to analyse, from a trade union perspective*

The recent recommendations (or decisions) of the European Commission and the European Council for your country (available on the website)

http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index_fr.htm

**Methodological advice and guidance**

**Brainstorming:**
- Ask the participants to note down individually 3 austerity measures taken at national level recently and in what way they depend on the EU (5 minutes)
- Draw up a list on the flip chart examples without comments obtained from a roundtable; pay attention not to repeat the same ideas
- Recapitulate the ideas presented without commenting on them.

**Discussion:**
- Are the policies currently applied in Europe (at national and European level) up to the task?
- Do you think that the choices of policies implemented in the European Union are appropriate for getting out of the crisis (from the top by reinforcing social cohesion and reducing inequalities)?
- Do you think that the policies implemented (under the new economic governance) promote competition in wages, and exert downward pressure on taxation and working conditions? If so, what is to be done?
- Is the EU on the wrong track?
- Do you think that the deregulation and austerity policies have failed? If yes, what should be done to put the (European) economies and employment on the right course?
- Can the problem of unemployment (in general and youth unemployment in particular) be treated at the root cause without adopting a recovery plan worthy of the name and a change of economic policies?
- Are policies currently applied in Europe providing answers to the question of sovereign debt, or are they aggravating the public debt in the different countries?

**Aspects to be highlighted:**
- Conclusions on the austerity policies and their consequences for workers
- Rise in economic and social inequalities throughout the EU
- Correlation between the national and European level
Reflexion:
– Austerity policy measures destroy employment and social protection systems

Educational materials to be distributed to the participants
– The presentation in a printed version or in electronic format (in case of a PowerPoint) and other additional information resources, at the request of the participants
### 3. Crisis and reforms of the labour code.

**Training sequence 3**

<table>
<thead>
<tr>
<th>Educational objective of the sequence</th>
<th>Become aware of the impact of austerity policies and radical changes on labour relations, labour law, the trade unions</th>
</tr>
</thead>
</table>
| Educational sub-objectives           | Make the participants aware of the radical changes concerning labour relations  
|                                      | Assess the impact of the applied policies on the workers and trade unions  
|                                      | Identify the basic elements concerning the need for a Social Compact for Europe |
| Educational actions                  | AWARENESS RAISING among participants through workgroups  
|                                      | THEORETICAL PART, presentation  
|                                      | APPLICATION through discussion |
| Methods and techniques               | We propose:  
|                                      | ACTIVE METHOD for awareness raising (workgroups)  
|                                      | AFFIRMATIVE METHOD for the theoretical part, presentation  
|                                      | ACTIVE METHOD for the application (discussion) |
| Resources                            | Training kit  
|                                      | Power Point Presentation / flip chart  
|                                      | Experience of the participants  
|                                      | Previous work  
|                                      | Activity Sheet - AS2  
|                                      | Appended grid |
| Time                                 | 2 h |
Since the beginning of the economic crisis, the rights of workers have been under pressure in many countries because of the measures taken to increase flexibility and reduce the cost of labour, amending the national labour code in particular.

The European institutions and certain national governments recommend (and in certain cases impose) an increase in flexibility on the labour markets, a freeze and/or nominal reductions of wages, measures to facilitate redundancies (relaxing restrictions and reducing cost) and to limit the collective protection of workers through collective bargaining and collective bargaining agreements.

Whereas nothing proves that the provisions of labour law in the different countries are the cause of the financial and economic crisis, the labour law reforms and the flexibilisation of labour markets are presented by the European institutions and certain national governments as the best responses to the crisis (thereby pretending to protect employment or improve competitiveness).

Whereas in certain countries, deregulation measures are adopted on a case-by-case basis, in others, radical reforms are upsetting the existing labour code. Recently, the structures of industrial relations, the institutions and mechanisms of collective bargaining, collective bargaining agreement and the formation of wages, have undergone profound changes in several countries, leading to an institutional weakening of trade unions and a decline in collective protection for workers.

The main trends observed concerning changes (reforms/ measures) in the labour code in EU countries, during the recent period, pertain to 4 main areas:

- Redundancy procedures (for economic reasons),
- Precarious contracts,
- Working time,
- Industrial relations and collective bargaining systems.

Under the pretext of reducing precariousness and saving jobs, reforms in different countries comprise measure to facilitate collective (and individual) redundancies, and increase the flexibility of atypical jobs even more. But this flexibilisation of laws leads to a decrease of protection for workers and to an increase in precariousness on the labour market.

The changes (reforms/measures) concerning working time pertain in particular to...
overtime and its cost for the employer and the reference periods for calculating the working time.

In the field of industrial relations and collective bargaining, the changes (reforms/measures) pertain to the **representativeness criteria** of the social partners, the **decentralisation of collective bargaining** to lower levels (such as the company), the articulation/hierarchical structure of different levels of collective bargaining agreements, the possibilities of unfavourable exemption of the protection provided by collective bargaining agreements of a higher level... These reforms weaken trade union representation and action at all levels of negotiation (affecting the very structure of trade unions), as well as the institutional means at their disposal to protect workers.

The **common denominator of these reforms is the drop in labour costs for employers** through the flexibilisation of legislation on employment protection and through the reduction of the degree of cover by collective bargaining (i.e. the drop in the number of workers covered by collective bargaining agreements by weakening collective bargaining at sector level in particular).

In many countries, **changes in labour law were adopted by means of emergency measures** outside any democratic (legislative) and participatory procedure, bypassing Parliaments or the social partners. This was particularly the case of countries applying adjustment programmes supervised by the Troika (European Commission, IMF, ECB) where supranational authorities imposed 7:

- **A labour market flexibilisation policy** through radical changes to labour law;
- **Wage cuts (nominal reductions)** (in the public and private sector);
- **A forced decentralisation of the wage formation process**, set as a condition, in exchange for financial support to the country or intervention on the secondary market of public debt securities (ECB).

By way of example, in February 2012, under the Memorandum of Understanding (Memorandum II) concluded between the Greek government and the Troika, the **national minimum wage was reduced by ministerial decree (without vote in Parliament) in violation of the Collective Bargaining Agreement in force (EGSSE 2010-2012) signed by all the social partners.** The decree stipulates a nominal reduction of 22% as of 14 February 2012 (and of 32% for young people under 25), bringing the national gross minimum wage from €751 to €586 (and €510 for those under 25). The minimum wage will no longer be fixed by collective bargaining between all the social partners and by collective bargaining agreement (as was the case for decades) but by the government, after consultation.

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7 Countries that have signed a Memorandum of Understanding with the Troika to introduce an economic adjustment programme: Greece (May 2010 and February 2012), Ireland (December 2010), and Portugal (May 2011).
ILO director general Juan Somavia declared before the European Parliament in 2011 that “respect for the fundamental principles and rights to work is negotiable, even in a time of crisis, when questions of fairness multiply. Crisis situations cannot be used as an excuse to violate labour standards adopted at international level.”

Is the massive deregulation of labour law efficient (apart from the fundamental question as to whether it is legal)?

The competitiveness weaknesses of southern European countries are essentially structural, linked to their positions in the international division of labour in terms of trade and investment, and not to the cost of factors (and especially not to relative wages and the level of productivity).

The priority given in the policies currently applied to reducing costs (in particular labour costs through drastic wage cuts, deregulation and the weakening of collective labour law) is not an appropriate approach. It is an illusion to wish to pit countries from the Mediterranean basin or China against Eastern countries, in terms of costs.

The internal devaluation policy applied (in the absence of solid exporting sectors), has an enormous cost in terms of economic recession (depression) and employment and leads to a social disaster without improving competitiveness. The enormous problem of liquidity and contraction of internal demand leads to bankruptcies, including sound companies, without improving the development of export structures.

Crisis and migrant workers

Migrant workers faced with rising unemployment and xenophobia

The economic crisis affects migrant workers particularly because they often work in sectors that have been particularly hard hit by the crisis (construction, real estate, manufacturing, hotels and restaurants, services to private individuals, etc.), but also because precarious workers – which migrants often are – are generally the first victims of the crisis.

The drop in demand for labour increases the probability of precarious and illegal jobs, and migrants are often obliged to accept to work under very poor conditions or in the informal economy.

Competition, whether real or perceived, for scarce jobs exacerbates xenophobic or discriminatory reactions to migrant workers and their family. Some groups, individuals or political parties might wish to introduce more protectionist measures or turn aggressive towards migrants. Such reactions already exist in the different regions.
A contraction of migration flows?

The Great Depression of the 1930s led to an unprecedented drop in international migration flows. The sharp rise in unemployment had in fact fuelled strong waves of xenophobia and led to a hardening of anti-immigrant policies.

The current crisis could lead to a drastic drop in migration flows today too. In an environment already hostile to immigration, many countries hit by the recession seem to have in fact decided to step up border controls so as to “protect” national workers from competition from migrant workers. This leads to increasingly more restrictive migration policies with major implications for migrant workers but also for their country of origin.

It is necessary to strengthen protection for and to recognise the crucial role played by migrant workers.

Migrant workers have contributed to economic growth and the creation of wealth and prosperity in all the host countries.

They moreover help to reduce poverty and to boost development in the countries of origin.

The continuation of the crisis is a detrimental factor for migrant workers.

Appropriate policies and actions are necessary and the trade unions have an important role to play in devising and applying them.

ETUC’s action plan on migration: http://etuc.org/a/11098
Methodological advice and guidance

Workgroups
- Discuss and decide on a common response to the main recent changes to labour law and the collective protection of workers, according to 4 topics:
  Group 1 - Redundancies, Group 2 – Precarious contracts, Group 3 – Working time Group 4 – Industrial relations and collective bargaining system, by identifying the impact on workers and trade unions
- The results of the work are to be presented in a plenary session by a spokesperson from each group; attention: please comply with the feedback time; The presentations will be followed by a discussion.

Discussion
- Can fundamental rights be subordinated to the freedoms of the internal market, to competition law or to austerity measures?
- Under the pretext of the crisis and situations qualified as being “urgent” in certain European countries, is non-compliance with the fundamental rights and principles acceptable?
- What is the legality (but also the political and social legitimacy) of the Troika (IMF, European Commission and ECB) to impose on governments policies that are anti-social and against the world of work in European countries?
- Do austerity measures that challenge fundamental rights, often presented as “inevitable” and “transitional,” constitute a response to the crisis? Or, on the contrary, far from providing a solution, do they aggravate the economic crisis and threaten the viability of social Europe and the European political project?
- What is the impact of radical changes concerning labour relations on trade unions?

Aspects to highlight:
- All out flexibilisation, ease of redundancies, calling collective bargaining agreements and collective bargaining into question, decline in social rights, calling the social dialogue into question;
- Reduction of collective protection for workers;
- Weakening of the institutional role of trade unions;
- Calling fundamental rights into question in certain European countries;
- Risks of social dumping and downward social competition in Europe.

Reflections:
- Austerity policy measures concern not only rights but also democracy and the European social model.
Educational materials to be distributed to the participants

- The presentation in a printed version or electronic format (if a PPT presentation) and other additional information resources, at the request of participants;
- The Activity Sheet and grid appended;
ACTIVITY SHEET

CRISIS AND REFORMS OF THE LABOUR LAW
Impact on workers and the trade unions

Objectives:
Become aware and assess the impact of the policies applied (radical policies and radical changes concerning labour relations – labour law) on workers and the trade unions.

Task:
On the basis of previous work, discuss in your group and decide on a common feedback on the main recent changes to labour law and collective protection for workers, according to 4 topics:
- Group 1 – Redundancy,
- Group 2 – Precarious contracts,
- Group 3 – Working time,
- Group 4 – Industrial relations and collective bargaining systems, by identifying the impact for workers and the trade unions.

Report:
Designate a spokesperson who will present the workgroup’s report during the plenary session.

Time:
60 minutes for work in groups
5 minutes/group for the feedback

Reference:
Personal experience
National discussion and trade union activities
Activity Sheet
Preliminary work
Appended grid
Main recent changes (reforms, measures) to the labour code and collective protection for workers

<table>
<thead>
<tr>
<th>Recent reforms / measures and impacts</th>
<th>Recent changes</th>
<th>Impact for workers</th>
<th>Impact for organisations and trade union action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Collective and individual redundancy procedures</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1.1 Definition of collective redundancies (notion of economic reasons, authorised thresholds, etc.)</td>
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<tr>
<td>1.2 Collective redundancy procedures (reduction of periods of notice, simplification of administrative procedures, obligations of severance schemes, access to labour tribunals, etc.)</td>
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<tr>
<td>1.3 Cost of redundancy for the company (severance pay, sanction, etc.)</td>
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</tbody>
</table>
Main recent changes (reforms, measures) to the labour code and collective protection for workers

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<th>Impact for workers</th>
<th>Impact for organisations and trade union action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROUP 2</strong></td>
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<tr>
<td><strong>2. Precarious contracts</strong></td>
<td></td>
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</tr>
<tr>
<td>2.1 Fixed-term contract</td>
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<tr>
<td>(maximum period, maximum number of</td>
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<tr>
<td>fixed-term contract renewals)</td>
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<tr>
<td><strong>2.2 Part-time</strong></td>
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<tr>
<td>(overtime, etc...)</td>
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<tr>
<td><strong>2.3 Temporary work</strong></td>
<td></td>
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<tr>
<td><strong>2.4 New types of contract</strong></td>
<td></td>
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<tr>
<td>(specific categories, young people,</td>
<td></td>
<td></td>
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<tr>
<td>work-linked training)</td>
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</tbody>
</table>
### Main recent changes (reforms, measures) to the labour code and collective protection for workers

<table>
<thead>
<tr>
<th>Recent reforms / measures and impacts</th>
<th>Recent changes</th>
<th>Impact for workers</th>
<th>Impact for organisations and trade union action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3. Working time</strong></td>
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<tr>
<td>(possibilities for overtime and pay cuts, extension of reference period for calculating the working time, short-time working arrangements (weekly working day))</td>
<td></td>
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</tr>
</tbody>
</table>
### 4. Systems of industrial relations and collective bargaining

- Decentralisation of collective bargaining (to company level)

- Hierarchy of collective bargaining agreements and principle of applying the most favourable agreement for the worker

- Possibilities of **adverse exemption** from the protection of higher level collective bargaining agreements and legal provisions

- **Representativeness** of the social partners (extension of the prerogatives of trade unions to other worker representation bodies)

- Conflict settlement bodies

- Role of (tripartite) social dialogue bodies
## 4. Economic crisis and wages

### Training sequence 4

<table>
<thead>
<tr>
<th>Educational objective of the sequence</th>
<th>Identify the problems and challenges for wage negotiations by examining recent wage developments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational sub-objectives</td>
<td>– Describe wage developments in the public and private sector (trade union assessment)</td>
</tr>
<tr>
<td></td>
<td>– Analyse recent changes and/or trends concerning wage formation in your country</td>
</tr>
<tr>
<td></td>
<td>– Assess the role of the European institutions on wage policy</td>
</tr>
<tr>
<td>Educational actions</td>
<td>AWARENESS RAISING among participants through questions and answers</td>
</tr>
<tr>
<td></td>
<td>THEORETICAL PART, presentation by an expert</td>
</tr>
<tr>
<td></td>
<td>APPLICATION through discussion</td>
</tr>
<tr>
<td>Methods and techniques</td>
<td>We propose:</td>
</tr>
<tr>
<td></td>
<td>INTERACTIVE METHOD for awareness raising (questions and answers)</td>
</tr>
<tr>
<td></td>
<td>AFFIRMATIVE METHOD for the theoretical part, presentation by an expert</td>
</tr>
<tr>
<td></td>
<td>ACTIVE METHOD for the application (discussion)</td>
</tr>
<tr>
<td>Resources</td>
<td>Training kit</td>
</tr>
<tr>
<td></td>
<td>Power Point Presentation / flip chart</td>
</tr>
<tr>
<td></td>
<td>Experience of the participants</td>
</tr>
<tr>
<td>Time</td>
<td>1 h</td>
</tr>
</tbody>
</table>
Wages play a central role at the economic and social level. Whereas wages are considered as a “cost” for employers, their level and growth determine the purchasing power of wage earners (and thus their standard of living), and they play a role on the macro-economic front of course, because wage earners are consumers at the same time. Consequently, the social and psychological function of wages should also be taken into account. Furthermore, in very many countries, wages have a very important role in the financing and development of social security systems, particularly pension systems.

Even though the financial system is responsible for the current crisis, a more fundamental explanation has to do with the unequal and inefficient distribution of the fruits of growth even before the crisis broke out. In most countries, growth in wages was lower than productivity gains in the two decades prior to the economic crisis would have warranted. This explains that the share of wages in the wealth produced (in % of GDP) declined in most countries whilst the share of gross profits increased at the same time. In many countries, wage moderation was synonymous with stagnation in the real income of low paid workers and their families. Wage moderation led to a swelling of private debt in certain advanced economies (the United States, the United Kingdom, Spain, Ireland, etc.).

Since the beginning of the crisis, the continued deterioration of real wages has raised serious questions, because wage deflation deprives the national economy of the demand they need and erodes confidence.

The pressure exerted on wages, particularly during the latest period, is so strong, that it gives a feeling in certain countries that wage earners are the ones called upon to foot the bill for a crisis which they did not create.

In many countries, wage-earners in the public sector have become the preferred means of governments to reduce public deficits but also to “give the example” for the private sector.

More specifically, in the public sector, several countries (Ireland, Greece, Portugal, Spain, Italy, Latvia, Hungary, Romania, etc.) have witnessed a nominal wage cuts exerting very strong pressure on wages in the private sector, whereas in other European countries, a freeze in nominal wages in the public sector has led to a reduction of real salaries, when inflation is taken into account.

In the private sector, depending on the country, companies initially reacted to the decline in their business by adjusting the wage bill through the variable part of pay (overtime, bonuses, etc.), through the volume of hours worked or the number of temporary and permanent jobs.

Employers in several countries are increasingly not only trying to impose wage
moderation, but are advocating a general freeze or even reduction of nominal wages, based on the renegotiation of wages at company level.

Under the current austerity policies, strong pressure is being exerted on wages and collective bargaining throughout Europe, either directly on wages or through reforms of wage formation mechanisms and procedures, aimed in particular at decentralising collective bargaining. At the same time, reductions in the employers’ social security contributions and corporate tax cuts are being introduced. This is particularly the case in countries that apply adjustment programmes supervised by the Troika or the IMF.

The Commission, the IMF and the ECB intervene directly in certain countries in difficulty to demand (or to impose) a wage freeze or cuts (public sector, minimum wage) and reforms that weaken the collective bargaining institution, in exchange for their financial “bailout.”

In various European countries, the State intervenes directly on wages (public sector, minimum wage), or indirectly through reforms on collective bargaining systems and collective bargaining agreements, by promoting collective decentralisation through different measures according to the country:

- Discontinuance/abolition of national collective bargaining,
- Possibilities granted to companies to bypass sectoral collective bargaining agreements
- Supremacy (primacy) of company collective bargaining agreements over other collective bargaining agreements and suspension/abolition of the principle of applying the best agreement for the worker (known as the favourability principle)
- Stricter rules concerning the procedure for extending collective bargaining agreements (or even suspension during the period of the adjustment programme)
- Reduction of the period of validity of collective bargaining agreements (after-effect)
- Company agreements signed by representatives without union involvement.

Under the pretence of creating a favourable environment for employment and improving competitiveness, reforms are implemented, depending on the country, to reduce the degree of cover by collective bargaining and the extension of collective bargaining agreements, decentralise negotiations (particularly at company level), weaken sectoral negotiations and reduce the role of trade unions in wage formation systems.

For the trade unions, the defence (or restoration) of autonomy in collective bargaining and collective bargaining agreements is an absolute priority. The development of wages has an important role to play in the prospect of an alternative economic policy.
The EU and wage policy

According to the Treaty on the Functioning of the European Union (TFEU) Article 153 (5), the EU has no regulating powers in the field of wage policy.

The Euro Pact Plus (2011) has important implications, particularly regarding wages, because it comprises recommendations to the Member States pertaining to:

- Comparisons of unit labour costs;
- A hostility to wage indexing and centralised bargaining
- A linking of wages with productivity (but not with inflation)
- Downward pressure on wages in the public sector

Under the new governance, European monitoring has been introduced to keep track of the development of wages at national level, the cost of labour and the collective bargaining system.

Recommendations on wages are made to the Member States under the European semester. They concern wage moderation, minimum wage, the decentralisation of collective bargaining, or the reform or abolition of wage indexing, depending on the case.

For countries that follow adjustment programmes supervised by the Troika or the IMF, demands are far more direct (as we have seen above).

In February 2013, the conclusions of the European Council on the “Annual Growth Survey 2013” stated the following:

“While respecting the role of social partners and national systems for wage formation, wage-setting frameworks need to be monitored and where appropriate reformed to ensure that they reflect productivity developments and contribute to safeguarding competitiveness, and indexation mechanisms should be reconsidered. Minimum wage levels should strike an appropriate balance between employment creation and adequate income;”
An analysis of wage development (public and private sector) in your country since the start of the crisis is to be prepared by the national trade union train-ers based on the following information:

### Analysis at national level

#### Wage development and challenges for wage bargaining

<table>
<thead>
<tr>
<th>Public sector</th>
<th>Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main developments concerning wages in the public sector since the crisis – Main characteristics and trends</td>
<td>Main developments concerning wages in the private sector since the crisis – Main characteristics and trends</td>
</tr>
<tr>
<td>(wage moderation, wage freeze, wage cuts, etc.)</td>
<td>(wage moderation, wage freeze, wage cuts, etc.)</td>
</tr>
</tbody>
</table>

(cf. Annex 3 “Economic crisis and wages”)

**Concerning the role of the European institutions on wage policy,** we provide 2 examples to fuel the discussion with the participants:

**Exemples:**

#### Conclusions of the European Council on the “Annual Growth Survey 2013”

In February 2013, the conclusions of the European Council on the “Annual Growth Survey 2013” stated the following:

“While respecting the role of social partners and national systems for wage formation, wage-setting frameworks need to be monitored and where appropriate reformed to ensure that they reflect productivity developments and contribute to safeguarding competitiveness, and indexation mechanisms should be reconsidered. Minimum wage levels should strike an appropriate balance between employment creation and adequate income.”

European Council decision of 8 November 2011:

“Greece shall adopt and implement the following measures without delay:

« based on a dialogue with social partners and taking into account the objective of creating and preserving jobs and improving firms’ competitiveness, adopting further measures to allow the adaptation of wages to economic conditions. In particular: the extension of occupational and sectoral collective agreements and the so-called “favourability principle”* shall
be suspended during the period of application of the MTFS in such a manner that firm-level agreements take precedence over sectoral and occupational agreements; firm-level collective contracts may be signed either by trade unions or, when there is no firm-level union, by work councils or other employees’ representations, irrespective of the firms’ size.’

* "favourability principle" = apply the most favourable agreement for the worker

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**Methodological advice and guidance**

**Questions and answers**
- What is the role of wages in the financing and development of the social security systems and in particular pension systems?
- What is the preferred means of governments for reducing public deficits, in your opinion? Is an abrupt adjustment efficacious?

**Discussion**
- Compare wage developments since the start of the crisis and identify the main characteristics and trends of this development: public and private sector, wage moderation, wage freeze, wage cuts, etc. (the table with the national situation).
- Did the rise in wages cause the crisis? Will the drop in wages help in getting out of the crisis?
- What are the main difficulties encountered by the trade unions (including mobilisation difficulties) at the different wage bargaining levels at present (national, sectoral, company, etc.) and how are trade unions trying to deal with them? What strategies do trade unions have and how do they cooperate at regional and/or international level on to avoid the development of wage dumping?

**Aspects to be highlighted:**
- Conclusions on the consequences of wage policies for workers and the trade unions
- Correlations between the national and European levels

**Reflections:**
- Wage earners are called upon to foot the bill for a crisis which they did not create.

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**Educational materials to be distributed to the participants**

The presentation in a printed version or in electronic format (in case of a PowerPoint) and other additional information resources, at the request of the participants
5. Austerity policies: Response of the trade unions on a national scale

### Training sequence 5

| **Educational objective of the sequence** | Analyse the responses of trade unions at the national level faced with the austerity policies and the radical changes concerning labour relations |
| **Educational sub-objectives** | Make the participants aware of the importance of trade union actions against the austerity policies and radical changes concerning labour relations |
| | Identify the main trade union actions at organisation and national level |
| **Educational actions** | AWARENESS RAISING among participants through a summary of the previous day |
| | AWARENESS RAISING among participants through group work |
| | THEORETICAL PART, presentation |
| | APPLICATION through discussion |
| **Methods and techniques** | We propose: |
| | ACTIVE METHOD for awareness raising (summary of previous day) |
| | ACTIVE METHOD for awareness raising (working groups) |
| | AFFIRMATIVE METHOD for the theoretical part, presentation |
| | ACTIVE METHOD for the application (discussion) |
| **Resources** | Expert |
| | Training kit |
| | Power Point Presentation /flip chart |
| | Experience of the participants |
| | Activity Sheet AS3 |
| | Appended grid |
| **Time** | 1 1/2 h |
Information on the topic

European countries are hit more or less hard by the crisis and therefore by the austerity policies. These differences are also reflected in the number of demonstrations, organised campaigns and strikes.

The end of 2011 for instance was a particularly strong period for trade union mobilisation throughout Europe.

- 26 November 2011, Ireland: mobilisation against austerity / mobilisation for employment
- 1 December 2011, Greece: general strike against austerity
- 2 December 2011, Belgium: demonstration against austerity
- 10 December 2011, Lithuania: day of action against austerity
- 12 December 2011, Italy: three-hour strike against austerity
- 13 December 2011, France: day of action against austerity
- 15 December 2011, Cyprus: three-hour work stoppage. “No to austerity measures: we are fighting for trade union rights and collective bargaining.”

Some recent examples of trade union actions against austerity in Europe:

- Portugal: 27 June 2013. General strike against austerity
  UGT Portugal: http://www.ugt.pt/site/index.php?option...
  CGTP-IN: http://grevegeral.net/
- Greece: 16 July 2013. General strike against the reorganisation of the civil service. The slogan of the strike: “We are not numbers, we are workers.”
- Europe: 19 June 2013: European day of action: No to austerity, yes to fair taxation! Actions were organised in several European countries, in particular in Belgium, the United Kingdom, Germany, Cyprus (one-hour work stoppage), France and the Netherlands.

Trade union responses to austerity policies on a national scale are to be presented by the national trade union trainers.

Methodological advice and guidance

Summary of the previous day
- A review of the ideas conveyed during the previous day, underscoring the most important aspects revealed by the presentations and the discussions in plenary session.
Workgroups
– Activity in groups: Discuss and analyse the trade union responses at national level against austerity policies and radical changes concerning labour relations, underscoring the results achieved.
– Results of the work are to be presented at the plenary session by a spokesperson from each group; attention: please comply with the feedback time.

Discussion
– According to the local trade union culture, what were the advantages and disadvantages of the different actions (such as public opinion reactions, for instance)
– What do you know about the examples in Europe?

Aspects to be highlighted:
– National trade union mobilisation in response to the austerity policies, campaigns and demonstrations
– The positions of trade unions and the social partners

Reflections:
– Degree of efficacy of trade union responses on a national scale
– Specific nature of trade union responses around Europe

Educational materials to be distributed to the participants
– The presentation in a printed version or electronic format (if a PP presentation) and other additional information resources, at the request of participants;
– The Activity Sheet and grid appended.
ACTIVITY SHEET

AUSTERITY POLICIES: RESPONSE OF TRADE UNIONS ON A NATIONAL SCALE

Objectives:

Analyse the responses of trade unions, at the national level, to the austerity policies and radical changes in labour relations

Task:

In your group, discuss and analyse the trade union responses organised at organisation and national level against austerity policies and radical changes in labour relations, indicating whether such actions and measures comprise a European dimension.

Report:

Designate a spokesperson who will present the workgroup’s report during the plenary session.
You can use the appended table.

Time:

30 minutes for work in groups
3 minutes/group for the feedback

Reference:

Personal experience
European discussions and joint trade union activities
Activity Sheet
Appended grid
Trade union responses at organisation and national level against austerity policies and radical changes in labour relations.

<table>
<thead>
<tr>
<th>National Trade union actions</th>
<th>Results achieved (positive and negative)</th>
<th>European Dimension</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>YES</td>
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<td>NO</td>
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</tbody>
</table>
### 6. Austerity policies: Response on a European scale

#### Training sequence

<table>
<thead>
<tr>
<th>Educational objective of the sequence</th>
<th>Summarise the European trade union discourse on austerity policies and alternative ways to solutions at national and European level.</th>
</tr>
</thead>
</table>
| Educational sub-objectives          | – Become familiar with the solutions proposed by ETUC (through the Social Compact for Europe)  
– Relate the problems of austerity policies and the solutions proposed by ETUC. |
| Educational actions                 | AWARENESS RAISING among participants through questions and answers  
THEORETICAL PART, presentation by an expert  
APPLICATION through work in groups |
| Methods and techniques              | We propose:  
INTERACTIVE METHOD for awareness raising (questions and answers)  
AFFIRMATIVE METHOD for the theoretical part, presentation  
ACTIVE METHOD for the application (work in groups) |
| Resources                           | Expert  
Kit de formation  
Tableau papier (flipchart)  
Expérience des participants  
Fiche d’activité |
| Time                                | 3 h ou 3 1/2h |
ETUC actions

Established in 1973, the European Trade Union Confederation (ETUC) today comprises 85 trade unions in 36 European countries as well as 10 European trade union federations, and represents 100 million workers. ETUC is the only European trade union organisation recognised by the European Union and therefore represents the interests of manual workers and clerical employees in Europe.

In a context of crisis on a European scale, the trade unions must also speak with a European voice. ETUC is the most appropriate structure to send a strong signal in response to the austerity policies imposed in several European countries.

ETUC is firmly opposed to austerity for several reasons (cf. http://www.etuc.org/a/7891):

- Austerity drags the economy during a period of prolonged stagnation, particularly if all the Member States reduce demand at the same time. This will cost Europe at least 4 million jobs – jobs it sorely needs to deal with the situation of its 23 million unemployed.
- Austerity will also harm the long-term growth potential of the European economy. Persistent unemployment, combined with precarious work, will devalue human capital. A prolonged depression will make companies think twice before investing in a region that is evidently incapable of offering stable demand prospects. Productivity and innovation will in turn suffer from the reduction in investments.
- Austerity will upset the European industrial fabric. Faced with a continent where the economy is sick, multinationals will relocate their industrial investments to other regions of the world which offer dynamic demand prospects.
- Austerity will prolong the sovereign debt crisis. Deficit reductions will be neutralised by the negative effects of the economic depression on social spending and tax revenue. And whilst public deficits remain high, the economic recession and deflation will push nominal GDP downward in such a way that the public debt will continue to rise in relation to GDP. This boils down to trying to plug a hole by digging an even deeper one.

ETUC and the trade unions in Europe are not simply trying to show the deficits of European policy, but are also proposing solutions to the crisis. Here is a list of several approaches to solutions proposed in recent years:

The Athens Manifesto

In its Athens Manifesto, ETUC denounced the management of the crisis in Europe and provided a 20-point presentation of the guidelines and actions for
Austerity, rights and democracy

its 2011-2014 programme. This manifesto was adopted at the ETUC Congress in Athens. The manifesto is available in 15 languages: http://www.etuc.org/a/4547

A Social Compact for Europe


In June 2012, the ETUC executive committee adopted the Social Compact for Europe and called on the Commission, the Council, the European Parliament and the Heads of State and Government to open the discussion on a social compact aimed at putting growth, jobs and social fairness at the very core of the European agenda. ETUC’s proposal for a European social compact includes the following elements:

- Collective bargaining and social dialogue
- Economic governance for sustainable growth and jobs
- Economic and social fairness

The Social Compact for Europe is a document that summarises the projects and problems in Europe and charts approaches to solutions.

Manifesto of legal experts for the respect of social rights in the EU

Of the various austerity measures adopted throughout Europe, it is worth underscoring that the Troika (European Central Bank, European Commission, and IMF) imposes a considerable -- at times radical -- deregulation of the labour market and the collective bargaining and wage formation system in certain countries, entailing a weakening of the trade unions, a drop in wages, a rise in precarious jobs, insecurity, high unemployment, increasing poverty and social unrest.

More than 590 legal experts from all over Europe specialising in labour law and social law signed a manifesto in January 2013 calling on the European Union to respect and promote fundamental social rights in connection with measures relating to the crisis.

For more information and a video on said manifesto, please go to:

The Marshall Plan for Europe

In December 2012, the DGB (German Confederation of Trade Unions) proposed a new approach to solving the crisis, called the Marshall Plan for Europe.
It is a stimulus plan for development, investment and economic revival in Europe. A plan for the future of Europe with investments in renewable energy sources, sustainable industries and services, education and training, research and development, modern transport infrastructures, increased effectiveness in governance, etc. The DGB plan sees a future in Europe, but only if investments are made starting today. The 10-year plan provides for an investment of €260 billion per year. To finance this plan, the DGB proposes in particular the introduction of a 0.1% tax on all financial transactions in the 27 EU Member States.

Information on the Marshall plan is available in several languages (DE, EN, FR, PO, CZ, IT, ES) at http://www.dgb.de/themen/++co++985b632e-407e-11e2-b652-00188b4dc422

New path for Europe

Ce tout nouveau plan de la CES a été présenté le 7 novembre 2013 et va être accompagné dans les prochains mois d’une campagne dans tous les pays de l’Union Européenne.

La nouvelle voie pour l’Europe est un plan pour une croissance durable et des emplois de qualité, pour une Europe prospère et démocratique. Il s’agit d’un plan d’investissement conséquent, 2% du PIB des pays de l’Union Européenne sur une durée de 10 ans. Les investissements doivent être effectués dans des domaines d’avenir, comme dans la production d’énergie qui permette de réduire les émissions de gaz à effets de serre, des investissements dans les industries et services durables, dans la formation et l’éducation, dans la recherche-développement, etc.

A long terme, 11 millions de nouvelles places de travail seraient ainsi créées. Pour financer ce plan, la CES propose entre autre une taxe ponctuelle sur la fortune. Les recettes de la taxe sur les transactions financières pourraient également contribuer au financement de ce plan. http://www.etuc.org/a/11720 (FR/EN)

En dehors de ce document, la CES donne son avis sur quantité de sujets en rapport avec la crise. La liste des résolutions adoptées par la CES est disponible sur sa page internet : http://www.etuc.org

Quantité de syndicats ont aujourd’hui un pied à terre à Bruxelles. Eux aussi travaillent pour faire valoir les droits des travailleurs.

Some examples:

ÖGB : http://www.oegb-eu.at

CISL: http://www.iscos.cisl.it/bruxelles.asp
Alternative approaches to European solutions

European Citizens’ Initiative (ECI)

Participatory democracy has been improved since the Lisbon Treaty, in particular thanks to the European Citizen’s Initiative (ECI). This instrument enables European citizens to collect signatures and thus express their ideas, discontents, etc. with European policy. An ECI can be successful if at least one million signatures are collected in at least seven EU member States (the organising committee has one year to collect enough signatures as of the date that the proposal is confirmed by the Commission). But what happens once the signatures are collected?

The ECI is submitted to the European Commission which then has three months to examine the initiative. The initiative can lead to new laws, but nothing requires the Commission to fall in line with the submitted ECI. It is therefore vital not to stop with the millionth signature but to continue the campaign. The European Commission cannot easily turn a blind eye when several million citizens sign an ECI.

Example:
Right2water is an ECI launched by the European Federation of Public Service Unions (EPSU). EPSU represents 275 trade unions and more than 8 million workers in all the public services in Europe. EPSU has managed to rally other organisations to the cause, such as the European Anti-Poverty Network (EAPN), the European Public Health Alliance (EPHA), the European Environmental Bureau (EEB), Women in Europe for a Common Future (WECF) and Public Services International (PSI), the equivalent of PESU at worldwide level.

One million signatures had been collected by 10 February 2013 already. Finally, nearly 1.9 million signatures were collected (which must still be validated). The European Citizens’ Initiative could then be officially submitted. This will be done on 10 December 2013, proclaimed international Human Rights Day.

The work is not finished, because pressure must continue to be exerted on the European Parliament, the European Commission and the Council of the European Union. A hearing is to be held at the European Parliament in January or February 2014.

First success before the signature collection round was over!
On 24 June 2013, Commissioner Barnier, in charge of the internal market and services, announced that water would be excluded from the Concessions Directive. “It is our duty to take account of the concerns expressed by so many citizens. The Commission has heeded them and I hope that the citizens will be reassured,” he declared. (http://ec.europa.eu/commission_2010-2014/barnier/headlines/speeches/2013/06/20130621_en.htm).
The right2water ECI is not an initiative relating to the financial crisis and the fight against austerity policies. Several factors can play a role in the search for an explanation for the lack of an ECI in this field up to now. One of them is most certainly the fact that the right2water campaign deals with something very concrete: water.

In addition to the European Citizens’ Initiatives, there are other trade union campaigns on a European scale that you can present after the activity. The procedure for an ECI is long and subject to conditions (cf.: http://ec.europa.eu/citizens-initiative/public/how-it-works/verification?lg=fr). That is why a campaign outside the ECI framework is at times beneficial.

Other initiatives concerning finance and the debt:

- **Financial transaction tax now!** (http://www.financialtransactiontax.eu/fr/)
  Supported by ETUC, CGIL, ÖGB, DGB, CSEE, ESESP and the TUC among others. The campaign is aimed at exerting pressure on the EU Member States to introduce a financial transaction tax. This campaign is no longer topical (wound up on 23 March 2012) and did not have the same success as the right2water ECI

- **Europeans for financial reform** (http://europeansforfinancialreform.org/fr/partenaires) is a current campaign supported by ETUC, Uniglobal Union, IG Metall, UITA, DGB, FGTB, ÖGB, Unite, the TUC, EPSU and ETUCE, aimed also at introducing a financial transaction tax, but not limited to that. It pertains also to market regulations, the reform of the rating agencies, etc. The campaign calls on every citizen to become an “agent for change,” and in this case, to take an active part in the campaign in three ways: campaign on the web, in the street and through the organisation of conferences.

- **Committee for the Abolition of Third World Debt (CADTM)**
  This is an international network consisting of local committees and members based in Europe, Africa, Latin America and Asia endeavouring to abolish the debt and abandon structural adjustment policies. Information in four languages (EN, FR, ES and PT) is available at http://cadtm.org. English. This website also provides a mini glossary, likewise in four languages, focused rather on the problem of debt http://cadtm.org/Glossaire

**European Parliament**

The European Parliament is the voice of the people. There are 766 MEPs (751 as of the next European parliamentary elections in 2014), representing the 28 countries of the European Union. They do not sit by country but by political group. There are currently 7 political groups plus the group of non-attached members. Unlike what happens most often on a national scale, the MEPs are free to vote as they wish and are not tied to the decisions of their political grouping. This means that it happens for an MEP to vote against his political grouping.
The European Parliament suffers from a rate of absenteeism during European parliamentary elections that grows higher each time. In 1979, the rate of abstention was 37%. At the last elections, in 2004, no fewer than 54.3% of Europeans did not cast their ballot. In spite of the Treaty of Lisbon which reinforced the European Parliament, it does not seem that this trend will improve in the upcoming European elections in 2014.

And yet, MEPs can be important stakeholders for the trade union movement. In spite of a conservative and liberal majority, trade union ideas are finding their way. But another majority, closer to workers, would bolster the efforts that trade unions are making in Brussels for the rights of workers and against the liberalisation and deregulation of the labour market.

Furthermore, the European Parliament has denounced the austerity policies of the governments of the European Union as going too far on more than one occasion.

Example of the way the European Parliament works:

You can analyse who voted for / against a bill.

The following website can prove helpful: http://www.votewatch.eu (available in English only).

ETUC has produced a manifesto for the European parliamentary elections of 2014, which will be presented in the beginning of December 2013.

For the means and resources for influencing the decision-making process at European level, see the list of links below:

- How to monitor and influence the decision-making process in the EU from the trade union perspective (FR/EN) (http://www.etui.org/fr/Publications2/Guides/Comment-suivre-et-influencer-le-processus-de-prise-de-decision-de-l-UE-d-un-point-de-vue-syndical)

Recently (November 2013), the European Parliament’s Economic and Monetary Affairs Committee took the initiative to conduct a survey on the role and functioning of the Troika, and will soon provide a report on the effects of the reforms in “countries in crisis” and on the international functioning of the Troika. A situation worth watching... http://www.europarl.europa.eu/news/fr/news-room/content/20131104IPR23615/html/Les-d%C3%A9put%C3%A9s-critiquent-la-gestion-de-la-crise-par-la-Tro%C3%A8ka

Methodological advice and guidance

Questions and answers
- Do you know the Social Compact for Europe? The Athens Manifesto? “The DGB Marshall Plan” (Confederation of German trade unions)?
A new path for Europe?
– Do you know the “trade union embassies” of affiliates in Brussels?
– What is a European Citizens’ Initiative? What are the conditions for an ECI to be declared admissible by the European Commission?
– Who knows of this right2water initiative? Who signed this initiative? Who signed another ECI?

Workgroup
– Activities in groups: Make concrete proposals concerning the methods for transposing ETUC initiatives at the national level. What trade union actions at national level can support the initiatives of the European trade union movement?
– The results of the work are to be presented at the plenary session by a spokesperson from each group.

Discussion
– What solutions are proposed by ETUC for the problems caused by austerity policies in Europe?
– Do you have examples of campaigns that bring together several organisations for the same cause in your country, in your organisation?
– How can the trade union movement use the European Citizen’s Initiative (ECI) (advantages and disadvantages)?

Aspects to be highlighted:
– European mobilisation to respond to the austerity policies
– The responsibility of national trade union organisations to become agents of change
– Approaches to European solutions: ETUC’s social compact for Europe, the Athens Manifesto, the DGB Marshall Plan, the European Citizens’ Initiative (ECI), the new path for Europe
– How to use the European elections?

Reflections:
– Democracy and the European project
– European trade union discourse
– Right to initiative as a basic trade union value

Educational materials to be distributed to the participants

The Activity Sheet and grid appended.
Objectives:

Become familiar with the Social Compact for Europe
Relate the problems of the austerity policies and the solutions proposed by ETUC

Task:

Task 1: Study ETUC’s Social Compact for Europe in small groups (http://www.etuc.org/IMG/pdf/Social_Contract_Leaflet_EN_low.pdf)
Task 2: In the first part of the training course, we identified the problems caused by austerity policies. Draw up a list of the identified problems first. Then try to find the solutions proposed by ETUC to solve these problems. An additional column is available to enter comments, questions, etc.

Report:

Designate a spokesperson who will present the workgroup’s report in the plenary session.
You can use the appended table.

Time:

60 minutes for work in groups

References:

Activity Sheet
Appended grid
ETUC’s Social Compact for Europe
Results of the activities carried out on the first day of the training course.
Use ETUC’s Social Compact for Europe to find possible solutions to the crisis.

<table>
<thead>
<tr>
<th>Problems caused by the austerity policies in</th>
<th>Solutions proposed by ETUC</th>
<th>Other alternative proposals</th>
<th>Comments</th>
</tr>
</thead>
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</table>
### 7. Assessment of the training course

#### Training sequence

<table>
<thead>
<tr>
<th>Educational objective of the sequence</th>
<th>Assess the training course from the perspective of achieving the objectives and expectations of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational sub-objectives</td>
<td>Make the participants aware of the long-term impact of the project entitled “Austerity, rights and democracy - the need for a Social Compact for Europe”</td>
</tr>
<tr>
<td></td>
<td>Identify the actions to disseminate the attainments of the course by the participants</td>
</tr>
<tr>
<td>Educational actions</td>
<td>AWARENESS RAISING among participants through Mind map THEORETICAL PART, summary of the aspects developed during the training course APPLICATION through individual work and roundtable</td>
</tr>
<tr>
<td>Methods and techniques</td>
<td>We propose: ACTIVE METHOD for awareness raising (Mind map) AFFIRMATIVE METHOD for the theoretical part, presentation ACTIVE METHOD for the application (individual work, roundtable)</td>
</tr>
<tr>
<td>Resources</td>
<td>Training kit Power Point Presentation / flip chart Experience of the participants Training course assessment sheet</td>
</tr>
<tr>
<td>Time</td>
<td>1h</td>
</tr>
</tbody>
</table>

Methodological advice and guidance

Summary of the training course
– A review of the ideas conveyed during the course, underscoring the most important aspects revealed by the presentations and the discussions in plenary session.

Assessment of the training course
– Each participant completes the assessment of the course individually
– Roundtable to garner the opinions of participants on achieving the objectives and expectations stated at the start of the course
– Ask for a collective and voluntary contribution from the participants

Aspects to be highlighted:
– Possibilities for support for ETUC trade union initiatives at the level of national organisations
– Importance of monitoring the initiative in the member organisations
– Responsibility of each trade union representative to get involved and to contribute at the national and European level
– European elections as an instrument of European democracy and change

Reflections:
– Multiplication of European trade union actions, mobilisation of members at the national level
– Importance of the European elections

Educational materials distributed to the participants
– The presentation in a printed version or electronic format (if a PPT presentation) and other additional information resources, at the request of participants;
– Training course assessment sheet

At the end of the course, the trainers send their assessment to their respective organisation and to ETUI. The organisations also conduct their own assessment of the course.
**Individual assessment and reflections**

Please indicate your degree of satisfaction with the course
In case of a mediocre result (0-25 %), please explain.

<table>
<thead>
<tr>
<th>%</th>
<th>0</th>
<th>25</th>
<th>50</th>
<th>75</th>
<th>100</th>
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</table>

Did the course meet your general expectations?  
Were the aims and objectives of the course clearly defined?  
Was the preliminary information sufficient?  

How do you assess the course in terms of:

a) content?  
b) workgroups?  
c) presentations?  
d) plenary sessions?  
e) Materials?  

How useful is this course in your opinion?  
Training site  
Organisation of the course

Do you want to make general comments or suggestions concerning the organisation and content of this training course?

[Blank space for comments]
More detailed information on the **quality of the training** imparted.

<table>
<thead>
<tr>
<th>Que</th>
<th>What is your impression of the following elements:</th>
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<tbody>
<tr>
<td>a)</td>
<td>Support by trainers for your individual experience and your workgroup.</td>
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</tbody>
</table>

b) Were the objectives and tasks of the different activity sheets defined with sufficient clarity? Please specify any session where this was the case.  

<table>
<thead>
<tr>
<th>Que</th>
<th>Did you achieve the objectives of the activities throughout this training course?</th>
</tr>
</thead>
</table>

d) Should certain elements/aspects of the course been covered in greater detail, in your opinion? (Please specify)  

e) Was the course material sufficient and clear?  

Use a separate sheet to answer where necessary.
Annexes
You are bound to come across technical terms during the course. You can put them down on this page together with their meaning.

<table>
<thead>
<tr>
<th>Technical terms</th>
<th>Meaning</th>
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ANNEX 2

Useful links

http://www.etui.org

http://www.etuc.org

http://www.ugt.pt/site/index.php?op... 

http://grevegeral.net/


http://www.oegb-eu.at

http://www.iscos.cisl.it/bruxelles.asp


http://www.financialtransactiontax.eu/fr/

http://europeansforfinancialreform.org/fr/partenaires

http://www.votewatch.eu

http://www.lo.se/english/documents/union_reflections_on_the_economic_crisis

http://www.lo.se/english/documents/the_swedish_model

http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/

http://ec.europa.eu/economy_finance/db_indicators/ameco/
ANNEX 3

ECONOMIC CRISIS AND WAGES

ACTIVITY SHEET

Objectives:

Analyse the wage development (public and private sector) in your country since the start of the crisis
Identify the main challenges faced by the trade unions since the start of the crisis at the different wage bargaining levels
Consider trade union strategies and cooperation concerning wage bargaining

Tasks:

1. Compare wage developments since the start of the crisis and identify the main characteristics and trends of this development: public and private sector, wage moderation, wage freeze, wage cuts, etc. (the table with the national situation) (Complete tables 1 and 2)

2. What are the main difficulties encountered by the trade unions at the different wage bargaining levels at present (national, sectoral, company, etc.) and how are trade unions trying to deal with them? (Complete tables 2 and 3)

3. What strategies do trade unions have and how do they cooperate at regional and/or international level on wage bargaining and wage development to avoid wage dumping? Make at least 3 concrete trade union proposals (Complete table 5)

Resources:

Preparatory work before the seminar
Presentations by the experts

Time:

2 hours, plus the time to submit the group works
## Analyse at the national level

### Wage development and challenges for wage bargaining

<table>
<thead>
<tr>
<th>1</th>
<th>Main developments concerning wages in the <strong>public sector</strong> since the crisis – Main characteristics and trends</th>
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<tbody>
<tr>
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<th>2</th>
<th>Main developments concerning wages in the <strong>private sector</strong> since the crisis – Main characteristics and trends</th>
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<th>3</th>
<th><strong>Main difficulties</strong> encountered by the trade unions at the different wage bargaining levels at present</th>
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<th>4</th>
<th>..... and how are trade unions trying to deal with them?</th>
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</table>
What should be done to avoid wage dumping?

What strategies do trade unions have and how do they cooperate at regional and/or international level on wage bargaining and wage development? Make (at least) 3 proposals for concrete trade union actions.

1.

2.

3.
OBJECTIVES:
Discover a form of participatory democracy at European scale: the European Citizens’ Initiative (ECI)
Understand how the trade union movement can use this instrument (advantages and disadvantages)

TASK:
Study the webpage of the European Citizens’ Initiative: http://www.right2water.eu in small groups and answer the following questions:

European Citizens’ Initiative:
- What is a European Citizens’ Initiative? What are the conditions for an ECI to be declared admissible by the European Commission?

Right2water initiative:
- Who knows this initiative? Who signed this initiative? Who signed another ECI?
- Who are the organisers of this ECI?
- Do you have examples of campaigns that bring together several organisations for the same cause in your country, in your organisation?
- What are the advantages? What are the disadvantages? (think of the problem of getting trade union messages across in the media; think of the costs).

DURATION:
45 minutes, then presentation to the rest of the group