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The Secretary-General of the Convention has received the attached contribution from Mr Kimmo Kiljunen, Mr Matti Vanhanen, members of the Convention and Mr Esko Helle and Ms Riitta Korhonen, alternate members of the Convention.

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FINLAND – AKAVA
CONFEDERATION OF FINNISH INDUSTRY AND EMPLOYERS – TT
THE COMMISSION FOR LOCAL AUTHORITY EMPLOYERS
CENTRAL ORGANIZATION OF FINNISH TRADE UNIONS – SAK
EMPLOYERS' CONFEDERATION OF SERVICE INDUSTRIES – PT
FINNISH CONFEDERATION OF SALARIED EMPLOYEES – STTK
THE STATE EMPLOYERS OFFICE
THE CHURCH NEGOTIATION COMMISSION

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THE FUTURE OF THE EUROPEAN UNION – Social Partners in Support of Well-being

The EU has become during the past 50 years larger and more significant than it was foreseen at its creation. The high standard of living and well-being of European society is largely result of the dynamics created by economic integration.

We are currently living in a critical period in the development of the EU where both internal and external factors are contributing to pressures for far reaching reforms. The current needs for reform are not new. EU reforms were conducted through out the 90's. Three consecutive Intergovernmental Conferences deepened and developed the Union one step further; nevertheless, without succeeding in creating a adequate system capable of meeting the challenges of the future. The enlargement of the Union from 15 Member States to 25 next year is accelerating planning for the future.

Enlargement is a process deeply affecting our continent's social, economic and political structures, resulting in raising the standard of living of the new Member States closer to the current EU average. In order to fulfil its vast economic potential the EU's Northern Dimension, closely linked to enlargement, should be strengthened as a part of the EU's policy towards its new neighbours.

The constitution being prepared by the Convention is a milestone in the evolution of the EU. The EU has once again the possibility to take a step towards deeper integration. The Finnish Social Partners stress the importance of taking advantage of this historic opportunity to strengthen and simplify the EU, in order for the EU to reach its goals the best possible way.

The EU's Focus Must Remain Clear

The European Union is a community based on freedom, democracy, the respect of human rights and fundamental liberties and the rule of law. The fundamental goals of the Union have always been the pursuit of peace, security, stability and prosperity in Europe. Prerequisites for these goals are growth, competitiveness and employment, all of which the EU has successfully promoted by relying on the principle of integration. The reforms of the coming years must preserve these fundamental principles

The main task of the EU must continue to be the development of a dynamic and well functioning single market. In addition, the union's other key areas, that also support the single market, include competition, labour market, trade and environmental policies.

At the heart of economic integration the EMU has demonstrated its effectiveness by securing a stable economic environment for European companies, other work organisations and employees.

The aim of the current reforms should be to develop EU policies in such a way that they better serve the goals of the EU. To redeem its potential the EU must become the most competitive area in the world. The goal of the Lisbon-strategy is to enhance employment, economic growth and social cohesion on the basis of a knowledge-based economy. The fulfilment of these goals is crucial to Finnish employees and employers. The reforms have not been carried out largely due to inefficiencies in the EU's decision-making structure

The Community Method as the Basis for the Functioning of the EU

Finnish Social Partners support efforts to strengthen community method based decision-making in the EU. This is also in the best interest of small Member States. As the defender of the common interest, the role of the Commission is central and it should therefore be strengthened. Along with the enlargement process, decision making by qualified majority in the Council should be increased to replace unanimity and it should become the principal decision making procedure. The Co-decision procedure between the European Parliament and the Council should be the point of departure for the EU legislative process. The principle of subsidiarity must also be strengthened and the division of competences between the Union and Member States should be clarified. These elements make the EU more efficient, democratic and increase its credibility in the eyes of the citizens.

Better Quality Legislation

The Constitution being prepared by the Convention must provide a framework for higher quality legislation. Legislation is never the end but an instrument. Too often the EU relapses in producing too detailed and rigid regulation, which in itself is responsible for distancing citizens from the EU. Improving the quality of legislation decreases ambiguity as well as unnecessary litigation.

The good governance principles of legislative clarity and consistency, reduction of bureaucracy, consultations and transparency, impact assessments and alternative regulations must be considered in the debate on the future of Europe.

In order to ensure implementation of EU legislation the ability of the Commission to persuade Member States to implement agreed legislation must be strengthened. To ensure the credibility of the EU and to eliminate distortions in competition, it is essential to ensure implementation especially after the enlargement. The capabilities of EU institutions in controlling competition and the implementation of legislation should be increased.

Social Dialogue – The Role of Social Partners at the European Level Must Be Respected

The special status of EU level social dialogue must be reinstated in the new constitution and it must be kept apart from consultations designed for the wider civil society. The consultation of Social Partners in the preparatory phases of legislation should be observed in the constitution. These consultations should include initiatives in labour market, social and education policies. Organisations should be submitted to strict representativeness criteria when being consulted.

Social partners at the confederation level are employers organisations UNICE and CEEP and the European Trade Union Confederation ETUC, who's memberships comprise of representative national social partners.

An efficient and wide ranging social dialogue with procedures for negotiations and agreements is often a better way of achieving results than stringent legislation for European workers and companies as well as other work organisations. Social dialogue and the independent role of Social Partners should be guaranteed in the constitution.

Employment and Social Policy

Social partners support the role of the EU in removing competition distortions and obstacles to the Single Market. In employment and social policy the free movement of labour, a high level of education, freedom of organisation according to national practices and the recognition of the role of the Social Partners are guiding principles. Likewise the principle of subsidiarity is a key element.

The definition and regulation of minimum standards on occupational health and safety norms are an integral part of a functioning Single Market. To ensure the success of enlargement attention should especially be focused on the efficient implementation of minimum standards in the new Member States as well.

External Representation – External Economic Affairs Under Community Competences

One of the biggest challenges facing the Convention is improving the EU's external representation. Social Partners consider important that the EU's external economic affairs are brought under communitarian competences and under joint representation. It has to be ensured, that along with the Single Market and the Euro, the EU must have sufficiently effective means to advance the common European interest in international forums.

Charter of Fundamental Rights

In order to enhance the legitimacy and credibility of the EU it is important that the fundamental rights of citizens are defined as clearly as possible, made known and available to everyone. Incorporating the Charter of Fundamental Rights would increase the visibility of these rights among citizens.

From the citizens perspective it is nevertheless important that national rights remain primary and that the incorporation of the Charter does not affect the division of competences between the Union and Member States.
