



## **ACTION PLAN**

# **Effective Tackling of the Economic Crisis and the Role of workers and social partners in Public Sector**

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### **Introduction**

Since 11 March 2020, when the *World Health Organization* (WHO) declared a **pandemic** due to the spread and intensity of covid-19, national governments have begun a race to meet a challenge for which, as we have seen, no country in the world was prepared.

The pandemic has expanded beyond a mere health emergency in these two years. It is causing serious economic and social consequences demonstrating the weakness of States, their resources and forms of governance and the inequalities between them in managing the crisis. This situation affects workers in general and certain public sectors in particular in a very direct way.

Therefore, we are experiencing an as yet unresolved health and economic crisis, involving the whole of the European Union (and indeed the whole world). Many countries are faced with a dilemma: whether the priority is health or the priority is the economy. Therefore, we are witnessing a chain effect, beginning with the collapse of markets, company closures, the loss of thousands of jobs, and the deterioration of economies and citizens.

We can therefore formulate, as a starting point, what we believe can form the basis for approaching and managing the main problems faced by states and public policy concerning the current situation of health emergency and economic crisis. In particular, we can address the following aspects.

- States' capacity to manage a pandemic: Each country has shown its real capacity in defining strategies. We witnessed different ways of dealing with the health emergency, with the European Union did not take the lead and sometimes lagged behind in implementing solutions to manage the crisis.



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In some cases, national governments had to reach a consensus and set up co-management systems with regional authorities.

In all cases, the pandemic highlighted real challenges to the public services that each country provides to its citizens. It has been shown that the use of new technologies such as digitisation or remote working is two alternatives for providing services to citizens. However, it is important to remember that the very context of the pandemic prevented workers from receiving the necessary training in new forms of work. They had to adapt their skills and respond to new professional requirements on an ongoing basis.

- Resource management: resource management: one of the biggest problems in managing the pandemic was mobilising many resources to meet emerging temporary needs. Health, financial and other requirements meant increased public expenditure and, in many cases, increased debt, creating an economic crisis that also had to be dealt with.

All countries established emergency fiscal packages to inject money into the economies to stimulate and save private activity and maintain employment. This was a way of mitigating the effects of the economic crisis that was occurring through measures such as: taking over the payment of part of wages, establishing basic transitional income, reducing or abolishing certain taxes, facilitating access to credit to reactivate the economy, or social assistance programmes and subsidies to guarantee the basic living conditions of workers in the most affected sectors.

To implement these measures, governments needed and still need public service workers. Here, however, we face another problem: internal organisation, bureaucracy in some cases, and the training of workers so that they can respond to new challenges in crisis situations.

In the public sector, we have witnessed the closure of administrative offices, courts, and schools during the phases of the strictest restriction. We could also see the weakness of systems, in many cases outdated and with very deficit organisations.

To implement new public policies, public services need to develop new management formulas (probably more flexible and multifunctional) to compensate for the scarcity of human resources and the lack of modernisation and professionalisation of public administration. It is likely that current administrative structures will need to be restructured to accommodate these new forms of governance.

In addition to the need to develop new forms of public management, another need is not easily met in this emergency situation: training staff in new technologies so that they acquire the necessary skills.

- Relations/communication between public services and citizens: the current situation is also causing a change in relations between citizens and public



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Depending on the development of the relevant tools in each country (and even in each region within the same country), we have, with different effects, replaced most of the face-to-face activities with virtual and remote ones.

Such actions have revealed the digital gap in society and the difficulties of citizens in accessing public services through digital means, with complex procedures and lack of facilitation.

In addition, this meant a change in the organisational model (adapting systems to control remote working activities) for public service employees, which was not always well understood and managed, showing its weaknesses in terms of digital and organisational culture.

For their part, public service employees have started to carry out, for the most part, and in those professions and activities that allow it, remote working (teleworking) as a way of working to prevent public administration from collapsing. However, telework raises questions and challenges regarding its use and regulatory framework: working hours, socio-occupational isolation, combining space with working hours and family life, incurring telework expenses, availability of telework tools, etc., and poses organisational challenges for public services.

- Professional and psychosocial consequences for public sector workers: there is no doubt that both the health crisis and the economic crisis are causing professional fatigue and an increase in emotional strain (anxiety, physical and mental exhaustion, feelings of sadness, etc.), especially in those groups that we define as primary: health care, social assistance, emergency services, security and civil protection, etc. They are caused by both physical and mental fatigue of public sector workers and the persistence of the situation, which increases the need to contact on a particular issue. These contacts are complex and unsatisfactory.

Given the reality of the economic crisis, the latest reports from both the International Monetary Fund (IMF) and the OECD predict a fall in global GDP of 4.4% in 2020 and an estimated recovery of 5.2% in 2021. However, there will be significant differences from one country to another, which will ultimately inflict huge losses on the regions and countries with weaker economies, and which offer uninviting prospects, since neither the current health crisis, which has been aggravated by the emergence of a new variant omicron nor the social and economic crisis can be overcome in the short term.

Faced with this situation, our Project supports social partners' information, consultation, and involvement, especially in the public service sector. Such actions aim to help develop and implement new integrated strategies in order to strengthen participative mechanisms for trade unions, employers and public authorities to work together in identifying issues related to effectively tackling the economic crisis and the role of workers and social partners in this combat.



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This is possible thanks to the exchange of experience and knowledge between employers, public service employees, public authorities and trade unions in different EU countries, involving partners from Spain, Italy, Poland, Bulgaria, Serbia and Lithuania.

In this sense, the first phase of research, already carried out in the framework of our Project, has analysed initiatives to improve labour rights in all partner countries, taking into account a number of undertakings and good practices that will be the subject of this **Action Plan**.

Likewise, this study also takes into account the measures promoted by the European Union to facilitate recovery from the health and economic crisis, which essentially focus on two aspects: maintaining employment and/or creating new jobs in the face of new labour market challenges, and strengthening training to improve skills and retraining and encouraging employment-oriented lifelong learning.

## **ACTION PLAN**

Based on the analysis of the current involvement of public service employees in decision-making obtained in the research phase and their degree of satisfaction and motivation concerning their participation in the decision-making process and their professional activities, we have drawn the following conclusions, based on which we have developed this **Action Plan**.

- 1) There is a high degree of ignorance about the existence of European directives (and specific national legislation in the public sector) regarding employee participation in decision-making in their companies. Even if such knowledge exists, employee participation in the public sector is not guaranteed.
- 2) Although correctly transposed into national legislation, employee participation mechanisms are considered inadequate and inefficient in their application.
- 3) There are distortions in the dialogue skills and readiness of public sector management, and the specific characteristics of the public sector (budgetary constraints, limitation of trade union autonomy, existence of complicated negotiation procedures or lack of a sanction system to oblige employers to respect the rules) prevent more effective collective bargaining (or social dialogue).
- 4) The image of trade unions is generally poor. This affects their role in participation, whose influence on decision-making is also low, as are unionisation rates.
- 5) Workers' participation in aspects such as health and safety and prevention of risks in the workplace or vocational training for employment (adaptation and



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- 6) The implementation of digitalisation processes in workplaces is not done with the participation of workers and/or trade unions.

### **Participation rights of public service employees in European regulations**

There are essentially three directives on *information and consultation at the national level* which set out the right of employees to be informed and consulted by their employer on a range of issues relating to the economic performance and future development plans of undertakings which may have a significant impact on, among other things, employment: *Directive 98/59/EC* on collective redundancies, *Directive 2001/23/EC* on the obligation to inform employees in the event of transfers of undertakings and the protection of rights in such cases, and *Directive 2002/14/EC* establishing a general framework for informing and consulting employees in the European Community and laying down minimum procedural standards for the protection of these rights.

These three directives were evaluated in Fitness Check from 2013, which concluded that they were all "*relevant, effective, coherent and mutually reinforcing*". However, it was acknowledged that there were a number of shortcomings, both in their areas of application and in their implementation by the various States, two aspects, in particular, stand out, with particular impact on the public service sector:

- **the lack of application to public administration (public sector)**, to SMEs and the crews of seagoing vessels;
- and the need to promote a culture of information and consultation in countries with less developed traditions, to increase the effectiveness of these directives, assessing factors such as the country and its industrial relations system, the size of the workplace, the culture of social dialogue and the attitude of the social partners or the support of workers and the activity sector.

Notwithstanding this, it should be recalled that, despite an initial lack of application to the public sector, we have the European Pillar of Social Rights, which in principle 8 establishes employee participation:

*The right of all workers in any sector to be informed or consulted on matters concerning them, particularly on the transfer of ownership, restructuring and mergers of undertakings and collective redundancies, to improve the protection of workers in such situations.*

Similarly, we can refer to the inclusion of workers' rights to participation in the field of health and safety at work through the implementation of the *EU Framework Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work* or the more recent *EU strategic framework on health*



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**Good practices improve the model of participation of public service workers in decision-making in their workplaces, tackling the economic crisis, and facing new professional challenges.**

As part of the improvement practices, we aim to have an impact on mitigating the deficiencies identified and, to this end, we establish very specific actions that can be implemented at the initiative of trade unions, at the initiative of workers themselves or promoted directly by employers.

The changes have been designed taking into account both the current legislation on workers' rights to participate in workplace decision-making and the conclusions of the research phase (mentioned in the previous section). They are framed in two blocks of actions:

- participation in general and occupational aspects, where we include some aspects related to health protection and participation in this field;
- - and improving the role of trade unions and/or workers' representatives in participation.

**1) Improving worker involvement**

In order to strengthen the role of the social partners and workers in effectively tackling the economic crisis, by increasing their participation in the workplace, we will implement the following:

- promoting a real and effective culture of participation and social dialogue between workers, trade unions and public body managers, promoting awareness-raising activities to target negotiations on all occupational and employment aspects of public sector workers at the workplace;
- strengthening information and consultation procedures, reviewing existing deficiencies in their application in the various countries of the Union;
- strengthening the role of workers' representatives and/or trade unions in the public service sector, to increase their participation in strategic decision-making processes in the workplace to combat the economic crisis and its repercussions;
- strengthening the capacity of trade unions and workers' representatives about participation systems, ensuring that they receive the necessary and full information to reach an agreement during the consultation procedure before the employer takes any decision.
- extending the fundamental rights to information, consultation and participation as set out in *Directive 2002/14/EC* and *Framework Directive 89/391 on health and safety at work* to workers in the public service sector, ensuring that they are



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applied in all areas of Europe, both in the Member States and in the candidate countries;

- establishing effective sanctions against employers in the public service sector in cases of serious violations of the right to information and consultation of workers and their representatives;
- promoting awareness-raising activities targeted at both public service managers and workers' representatives to direct negotiations towards the prevention of psychosocial risks in the workplace and thus improve the health conditions of public sector workers, particularly in groups such as health, care, emergency services, teaching, etc.;
- assessing the existence of new risks in the public service sector due to the introduction of new technologies, new systems of work organisation and delivery, and the pandemic health crisis, and establishing appropriate preventive measures; informing and training workers and extending their prevention through collective bargaining;
- given that women are under-represented in decision-making on health and safety issues, promoting their greater participation in decision-making processes concerning the development of best health practices in their workplaces, taking into account the gender equality dimension and specific protection against particular risks, including sexual and occupational harassment at the workplace;
- establishing transnational actions, developing a support programme for workers suffering from psychosocial risks (including stress, depression, burnout) with effective guidelines and recommendations to combat these risks.

## **2) Strengthening the role of trade unions and their representatives in worker participation in the workplace**

Even though all labour management activities require workers' participation, we have found that trade unions are not always consulted on social or labour interest aspects. When consulted, their demands are rarely met. Trade unions are not always aware of the importance of their involvement in those instruments that allow workers' participation in workplace decision-making. It is necessary to prepare trade unions to strengthen their role. Therefore, our good practices to strengthen trade union roles are as follows:

- raising awareness among union leaders of the importance of providing workers with full and correct information on the employer's contribution to the information and consultation procedure;
- providing trade union leaders with adequate training on the issues necessary to play an active role in the design and implementation of development strategies in the public service sector and promoting the signing of collective agreements in this area;



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- defending the quality of employment and working conditions of workers in public services in the face of new health and psychosocial risks arising both from the effects of the health crisis and the economic crisis caused by the pandemic;
- promoting the recognition of trade unions and workers' representatives as legitimate partners in dialogue with the employer, eliminating situations of depersonalisation in the decision-making process and preventing them from being treated as subordinate to economic and social processes;
- developing activities in the public media to improve the image of trade unions in the eyes of the general public and workers in particular, and to better explain the achievements of trade unions in the various activities carried out to protect workers.