## **EUROPEAN COMMISSION**



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## Dear Presidents,

The Commission wishes to thank the Houses of the Oireachtas for its Opinion concerning the Commission Communication 'Strengthening the social dimension of the Economic and Monetary Union' {COM(2013) 690 final}. It is pleased to note the Houses of the Oireachtas' overall support for the Communication.

The Houses of the Oireachtas request clarification of the role of the auxiliary employment and social indicators in macroeconomic surveillance and the headline indicators in the scoreboard of key employment and social indicators and cautions against duplication.

The Commission would like to point out that the rationale for introducing auxiliary employment and social indicators in macroeconomic surveillance is to gain a better understanding of the social and unemployment risks associated with macroeconomic imbalances and to identify social developments better during the adjustment process. The aim of the scoreboard of key employment and social indicators is to promptly detect significant employment and social trends in the individual Member States, in the Union and in the euro area. The result will feed into the setting of properly adjusted priorities in the European Semester and will provide focus for the Member States' multilateral surveillance.

The Houses of the Oireachtas also raise specific points with regard to the scoreboard's headline employment and social indicators. The Commission would like to point out that the Council has approved the scoreboard of key employment and social indicators, as presented in Chapter 3 of the Joint Employment Report, as the starting version to be applied in the 2014 European Semester. The scoreboard may be fine-tuned for future European Semesters in view of new developments. Further indicators, and the detailed analysis of the scoreboard outcomes, should draw on the existing battery of indicators already used in the European

<sup>&</sup>lt;sup>1</sup> EPSCO Council meeting on 9 December 2013.

Semester, and in particular the Joint Assessment Framework, the Employment Performance Monitor and the Social Protection Performance Monitor.

The Houses of the Oireachtas are of the opinion that the impact of ex-ante coordination or the introduction of a Convergence and Competitiveness Instrument cannot be considered until more detailed proposals emerge. The Commission would like to refer, in this respect, to the December 2013 European Council conclusions as regards further features agreed on contractual arrangements and associated solidarity mechanisms.

Lastly, the Houses of the Oireachtas raise the issue of expanding the EU social dialogue to include other relevant pan-European civil society organisations. The Commission would recall that dialogue between management and labour is enshrined in the Treaty on the Functioning of the European Union as an objective of the Union and the Member States (Article 151 TFEU). It is in this context, that the term 'social dialogue' in the Commission Communication is used. The EU has stressed the specific role of social dialogue in the European model of development and in EU governance on a number of occasions, and the Treaty gives employers and trade unions a special role with regard to developing contractual relations at EU level, concluding agreements and implementing EU legislation on social policy matters (Article 153(3) and Article 155 of the Treaty). Obviously, this does not preclude other forms of dialogue on social policy matters at EU level. Dialogue with a wide range of stakeholders, including civil society organisations, takes place within the European Platform against Poverty and Social Exclusion.

The Commission hopes that these clarifications address the concerns of the Houses of the Oireachtas and looks forward to continuing our political dialogue in the future.

Yours faithfully,

Maroš Šefčovič Vice-President