

THE 15TH EDITION OF THE INTERNATIONAL CONFERENCE EUROPEAN INTEGRATION REALITIES AND PERSPECTIVES

Regulation of Labor in the European Union

in the Context of Community Enlargement

Victoria Onofrei¹

Abstract: In general, in international and intergenerational treaties, over the millennia, work has been tacitly a right. Of course, for some time we can exclude from this "right" those who were actually forced to perform free physical labor, referring here to the period in which slavery flourished visibly and officially. Of course it would be an aberration to completely rule out this form of exploitation today, it has been cleverly camouflaged by those who still practice it to obtain as many benefits as possible in their own interest, deftly bypassing not only the legislative rules but the moral order itself of the existence of peers. From our point of view, this form of labor exploitation is attracted by the lower standards of living in developing countries, thus providing extremely cheap or free labor, when the one in greatest need is induced into error and subsequently exploited. Over the years, following the awareness and capitalization of the human personality, there is a continuous struggle with this unfortunate phenomenon. It is constantly wanted to annihilate the exploitation of the human being and improve its working conditions. The first steps in this regard were taken by the International Labor Organization, the leading player in the labor market and social protection.

Keywords: International Labor Organization; international treaties; labor exploitation

With the economic development, the development of the sales markets as well as the increase of the labor demand, the need of an intervention of new regulations was felt, or, we could say of legislative completions. Thus, in support of the idea of protection and the provision of working conditions, the European Union came into force since the 90s, which felt the need to balance the production market with the labor market.

Thus, taking into account the obligation of Member States to adapt or fully implement European Union directives, labor law at national and Community level - in their correlation - can be considered as instruments of European economic integration. The relations between national labor law and European Union labor law become complex, mutually influential relations². In this regard, the European Union has adopted a series of directives regulating certain aspects of the market and labor law³, with the main purpose of not simply legislating to fill the legal portfolio of the European Union, but creating the principles of labor and social protection and for stabilizing, solving and annihilating the problems that Member States were facing at national and international level in this field.

¹ University of European Studies of Moldova, Republic of Moldova, Address: Strada Ghenadie Iablocikin 2/1 Str., Chisinau 2069, Republic of Moldova, Corresponding author: victoriaonofrei@univ-danubius.ro.

² Popescu, Andrei (2008). Buletin de informare legislativa/Bulletin of legislative information, no. 2, Bucharest.

³ https://ec.europa.eu/social/main.jsp?catId=157&langId=en.

In terms of strategies and methods for coordinating and implementing them, a huge leap was made towards achieving the goals set for the labor market and labor relations in 1997. The year in which the *Amsterdam Treaty* was signed preceded by the launch of the *European Employment Strategy* under the Treaty¹. Until then, the European Union's policy in this area had practically no solid foundation, having at its disposal a limited number of Directives that superficially regulated only a few aspects related to labor law². The introduction of a new Title in the Amsterdam Treaty on "Labor" has led to the launch of a new stage in the growth and development of the European Union. There was a perception and awareness that there is a need for a clear balance of the two essential components for the EU's economic progress - economic policy and social policy - which underlies the evolution of the European Union.

Thus, the Treaty of Amsterdam, due to the essential changes in the field of labor, gradually leads to the creation of new policies on labor law and social security. In fact, in our view, this Treaty is the basis for the phasing out of subsequent actions by the Union and the Member States on labor and labor market management. As provided for in Article 145 TFEU, *the European Employment Strategy* (EES) was launched in November 1997 at the Extraordinary Summit on Employment, which is based on an open method of coordination also called the Luxembourg Process.

The creation of the European Employment Strategy took place with the aim of setting a common set of objectives and policies for employment. Its main objective is to create better jobs throughout the European Union and to promote a trained, skilled and adaptable workforce through the involvement of the states, which must coordinate their action in this regard within the Council³. At the same time, the Treaty sets out the steps taken by the European Council to achieve its objective. Thus, in order to achieve a high level of employment, the European Council annually reviews the work of the Member States on the implementation of their own strategies, mechanisms and tools for achieving employment objectives. On the basis of a joint annual report by the Council and the Commission, the European Council adopts the conclusions in this regard. This is the basis for setting guidelines that Member States must take into account in national employment policies. The European Parliament, the Economic and Social Committee, the Committee of the Regions and the Committee on Employment⁴ are also involved in this review process.

The third stage provides for the application of Member States' own policies, but this time taking into account the corrections proposed by the European Union through the guidelines. The results obtained are set out in the annual report submitted to the Council and the Commission, which carries out an analysis of those results after obtaining the prior opinion of the Employment Committee. If changes are

¹ Art.145 TFEU "The Member States and the Union undertake to draw up, in accordance with this Title, a coordinated employment strategy and, in particular, to promote a trained, skilled and adaptable workforce and able to react rapidly to the evolution of the economy in order to achieve the objectives set out in Article 3 of the Treaty on European Union".

² Art. 145 TFEU "The Member States and the Union undertake to draw up, in accordance with this Title, a coordinated employment strategy and, in particular, to promote a trained, skilled and adaptable workforce and able to react rapidly to the evolution of the economy in order to achieve Directive 91/533 / EEC on the obligation of the employer to inform workers of the conditions applicable to the contract or employment relationship; Directive 91/383 / EEC supplementing measures to promote the improvement of safety and health at work for workers with a fixed-term employment relationship or a temporary employment relationship; Directive 94/45 / EC establishing a European Works Council for a procedure for informing and consulting employees in undertakings and groups of undertakings with a Community dimension; Directive 94/33 / EC on the protection of young people at work, etc."

³ Art. 146 (2) TFEU.

⁴ According to art. 150 of the Treaty on the Functioning of the European Union, "The Employment Committee shall be established by the Council by a simple majority and after consulting the European Parliament. The Committee is consultative in order to promote the coordination between Member States of employment and labor market policies. Each Member State and the Commission shall appoint two members of the Committee. The missions of the Committee are:

⁻ Monitor developments in the employment situation and employment policies in the Member States and in the Union;

⁻ Without prejudice to Article 240, to deliver opinions at the request of the Council or of the Commission or on its own initiative and to contribute to the preparation of Council decisions referred to in Article 148."

found to be necessary following the analysis carried out, the Council, on a recommendation from the Commission¹, will make recommendations to the Member States and then resume the procedure by following the steps set out above.

Since its issuance to date, *the European Employment Strategy* has gone through several stages in terms of the proposed objectives and the guidelines integrated into the broad economic policy guidelines. Thus, the Lisbon Council, meeting in 2000, wanted to bring the European Union to the highest level of dynamic and economic competitiveness, keeping employment and social policies as a major objective². After examining the reports drawn up by the Member States on the problems they face in achieving the major objective, it was concluded that the main obstacle to combating unemployment and facilitating employment policies is in fact the lack of jobs. Consequently, since 2005, the focus has been on growth and job creation, and the broad economic policy guidelines will also include employment guidelines.

In 2010, the European employment strategy is complemented by the Member States, with a new set of main objectives:

- Labor market: increase to 75%, by 2020, the participation in the labor market of people aged between 20 and 64;
- Social inclusion and combating poverty: eliminating the risk of poverty or exclusion for at least 20 million people;
- Improving the quality and performance of education and training systems: reducing the dropout rate to less than 10% (from 15%) and increasing to at least 40% (instead of 31%) the percentage of people aged between 30 and 34 years of age who have completed a form of higher education or equivalent³.

The European Union has set itself the goal of reaching these targets by 2020 (hereinafter referred to as the 2010 Strategy). We note that the employment strategy dates back to the creation of the Coal and Steel Community, one of the cornerstones of the European Union. Technological progress, as we tend to believe, has brought news in the industrial field. For a start, it helped to reduce the working hours, create more favorable working conditions for people and other benefits. But at the same time, the technologicalization and automation of the industrial area has led to restructuring in this area. The biological workforce is gradually being replaced by "robots", machines that are programmed to operate without breaks or holidays. They are connected and work continuously, being supervised by several machines at the same time by a single person. These "scheduled facilities" have begun to create problems in the labor market. The desire to obtain a maximum profit with the lowest possible expenses leads to a rapid confrontation with the problems created by the increase of unemployment. In order to "remedy" these discrepancies in the European labor market and economy, the Member States of the Community, under the Treaty of Rome, set up the *European Social Fund* (*ESF*)⁴ which aim at:

• promoting a high level of employment and job quality, to improve access to the labor market, to support the geographical and professional mobility of jobs and to facilitate their adaptation to industrial change;

¹ Art. 148 Treaty on the Functioning of the European Union.

² http://www.europarl.europa.eu/factsheets/ro/sheet/54/politica-de-ocupare-a-fortei-de-munca.

³ http://www.europarl.europa.eu/factsheets/ro/sheet/54/politica-de-ocupare-a-fortei-de-munca.

⁴ Art. 162 Treaty on the Functioning of the European Union – "In order to improve the employment opportunities of workers in the internal market and thus to contribute to raising the standard of living, a European Social Fund was set up in accordance with the provisions below, which seeks to promote employment and geographical and occupational mobility of workers within the Union and to facilitate adaptation to industrial change and to the evolution of production systems, in particular through training and retraining."

- encouraging a high level of education and training for all and support the transition from education to employment for young people;
- fighting poverty, improving social inclusion and promote gender equality, non-discrimination and equal opportunity¹.

The European Social Fund becomes the European Union's main instrument for promoting employment and social inclusion through the application of all multidimensional measures and actions in the field of social protection and ensuring the active participation of people in all economic, social and political aspects of society. Thus, this fund aims at helping people to find jobs, contributing to the integration into society of disadvantaged people and ensure more equitable opportunities in life.

The tasks of the European Social Fund (ESF) shall be established by the European Parliament and the Council under Regulation 1304/2013 on the European Social Fund and repealing Regulation (EC) No 882/2004. 1081/2006 of the Council. The Regulation sets out how the ESF fulfills its tasks referred to in paragraph 1, - "by supporting Member States in meeting the key priorities and objectives of the Member States for smart, sustainable and inclusive growth (Europe 2020 strategy), enabling them to the specific challenges they face in order to achieve the objectives of the Europe 2020 strategy²".

Although the regulation specifies a wide range of disadvantaged people who can benefit from the work carried out by the ESF, we do note that they can be classified as employed or unemployed. Both categories are supported in one way or another by the fund. For the long-term unemployed, people with disabilities, migrations, and ethnic minorities ..., assuming that they are unemployed, the ESF improves access to the labor market "by supporting the geographical and professional mobility of workers³". Because of the second category that workers are supposed to be already working on, "the ESF provides support for their adaptation to new challenges, including the reduction of skills gaps ...⁴" In all cases, the principle of equal opportunities for men and women is promoted, as well as equal opportunities and non-discrimination.

Simultaneously with the European Social Fund, it carries out its attributions and other European instruments regarding the aspects in the field of work discussed in this paper. These instruments, in turn, pursue goals similar to those of the ESF, thus strengthening the European Union's mission in the fight against unemployment and poverty. It is well known that the EU has other institutions involved in the fight to eradicate poverty, but we will focus on the work of financial instruments that relate strictly to our area of discussion, i.e. labor.

Employment and Social Innovation (EaSI) programme - which was set up to run for 6 years⁵ and it is an instrument set up with the aim of "contributing to the implementation of the European 2020 Strategy, including its main objectives, integrated guidelines and emblematic initiatives, by providing financial support for the Union's objectives of promoting a high level of quality and sustainable employment, ensuring adequate and decent social protection, combating social exclusion and poverty and improving working conditions⁶". Analyzing the general objectives of the employment program, we can see that all the instruments created by the European Union aim entirely at solving the most controversial issue that

¹ Art. 2 (1) Regulation 1304/2013 on the European Social Fund and repealing Regulation (EC) no. 1081/2006 of the Council.

² Art. 2 (2) Regulation 1304/2013 on the European Social Fund and repealing Regulation (EC) no. 1081/2006 of the Council.

³ Art. 2 (3) Regulation 1304/2013 on the European Social Fund and repealing Regulation (EC) no. 1081/2006 of the Council. ⁴ Idem.

⁵ Art. 1 paragraph (2) "The program takes place between January 1, 2014 and December 31, 2020", Regulation (EU) no. 1296/2013 of the European Parliament and of the Council of 11 December 2013 on the European Union Employment and Social Innovation (EaSI) programme and repealing Decision no. 283/2010 / EU establishing a European Progress Microfinance Facility for Employment and Social Inclusion.

⁶ Art. 1 par. (1) idem.

arises during the evolution of the states from the Community to the Union. This process of eradicating unemployment and poverty is perpetual, showing signs of resolution but not completely or definitively. Regardless of the efforts made by Member States through the Union, the challenge of investing in the future and in its own citizens will be a difficult one as long as the workforce is replaced by new innovative technologies and there is a need to create new trades, namely specific skills and jobs for the citizens of the European Union. We also note that these programs are not fully adapted to the new situations created in the era of technological development. Consideration should be given to the possibility of human-created jobs being replaced again, in the near future, by mechanical devices that can be operated in more than one person or possibly by robots.

The EaSI program brings together, in its activity, three other European Union programs (currently the PROGRESS¹ axis, the EURES² axis and the Micro financing and social entrepreneurship axis³) that have carried out their activities separately until the establishment of EaSI by EU Regulation no. 1296/2013 of 11 December 2013. The main objectives of these merged instruments are set out in the Regulation and consist of:

- Strengthening the assimilation of EU objectives and coordinate actions at European and national level in the field of employment, social affairs and inclusion;
- Supporting the development of adequate, accessible and efficient social and labor market protection systems;
- Modernizing the EU law and ensuring its effective implementation;
- Promoting geographical mobility and stimulating employment opportunities;
- Increasing the availability and accessibility of microfinance for vulnerable people who wish to set up a micro-enterprise, as well as for existing micro-enterprises, and facilitate access to finance for social enterprises.

The third instrument for achieving the Europe 2020 Strategy allows the Union to show solidarity with the redundant workers due to major structural changes in the structure of world trade due to globalization and global financial and economic crises and can provide support to on small labor markets.

The European Globalization Adjustment Fund (EGF) is established for the multiannual financial framework between 1 January 2014 and 31 December 2020 and has as objective to financially support actions which aim at:

- redundant workers and the self-employed who have ceased to experience major changes in the structure of world trade as a result of globalization;
- redundant workers and self-employed persons who have ceased to work as a result of the conditions of the global economic and financial crisis addressed in Regulation (EC) No 1049/2001. 546/2009 or as a result of a new global financial and economic crisis⁴.

The EGF may co-finance projects that include support measures:

¹ Specific objectives: "(a) to acquire and disseminate high quality comparative analytical information ...; (b) facilitate the efficient and comprehensive exchange of information ..., (c) provide financial support for testing social policy reforms and labor market innovations ..."; art. 15 EU Regulation no. 1296/2013.

² Specific objectives: "(a) to ensure that job demand and supply..., living and working conditions are presented in a transparent manner to potential applicants and employers...; (b) promote the recruitment and placement of workers in quality and sustainable jobs by compensating for supply and demand for jobs..."; art. 20 EU Regulation no. 1296/2013.

³ Specific objectives: (a) to facilitate access to microfinance...; (b) developing the institutional capacity of microcredit providers; (c) supporting the development of the social investment market and facilitating access to finance for social enterprises ..."; art. 26 EU Regulation no. 1296/2013.

⁴ Art. 1 Regulation no. Regulation (EC) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalization Adjustment Fund (2014-2020) and repealing Regulation (EC) no. 1927/2006.

- looking for a job;
- career guidance;
- education, training and vocational retraining;
- guidance and training;
- entrepreneurial support and the establishment of companies.

The support of the European Globalization Adjustment Fund may also be granted as allowances for training, mobility / relocation, subsistence, etc.¹. Compared to other European financial instruments, as the name implies, the EGF can intervene in exceptional situations where people become unemployed regardless of whether they have been employed or carried out individual activities. The main condition for providing support is that the unemployment situation occurs as a result of economic globalization followed by major structural changes in the structure of trade and global financial and economic crises.

The European Union, through its strategies and implementation tools, has made every effort to combat unemployment and poverty among the population of the Member States. At present, despite visible improvements, the search for and implementation of new solutions in the process of eradicating unemployment and consistently high poverty rates remains a priority. This remains a political priority for the EU as it faces new challenges related to skills shortages in newly developed areas such as automation and new forms of work, the social exclusion of marginalized groups, including Romani minority and migrants, the low level of worker mobility².

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¹ https://ec.europa.eu/social/main.jsp?catId=326&langId=ro.

² Proposal for a Regulation of the European Parliament and of the Council on the European Social Fund plus (ESF +); Brussels, 30.05.2018.

for providing support is that the unemployment situation occurs as a result of economic globalization followed by major structural changes in the structure of trade and global financial and economic crises.

Analyzing how to implement all appropriate strategies and tools in the process of combating unemployment and poverty, we can see that they have similar goals and objectives regardless of the period in which they were applied. The main reason persists at every stage of their establishment, being generated by changes in the international labor market, economic globalization and social changes that have led to unfavorable situations for Member States.

We are currently witnessing a similar period in which there is an urgent need to update the European strategy to access the European Social Fund in the fight against the same problems that have created great dilemmas since the establishment of the Communities. The prediction of a new economic crisis has led to the need to establish new support for member countries. Thus, in order to prevent possible damage following an economic and social crisis, the Commission adopts on 30 May 2018 the proposal to regulate the support from the European Social Fund plus, which will succeed the ESF 2014 - 2020. Since then, the European economy has faced a shock extremely strong caused by the Covid - 19 pandemic, which forced the Union to amend the proposal for the original ESF + regulation, thus initiating European recovery and protection. On 27 May 2020, the Commission adopts the revised regulation for the multiannual financial framework planned for 2021-2027. The new amendment to the ESF + regulation reflects the Union's work and the speed with which it has acted in the face of a significant social and economic danger posed by Covid - 19.

The consequences of the pandemic on Member States will be felt for a long time, creating unequal social levels and unemployment among the population. Taking into account the forecast of these effects in the medium and long term, the Union foresees in the financing instruments a number of actions for the recovery and implementation of investment strategies in social systems and policies for employment.

Adapting social policies allows Member States to participate in a long and difficult process of recovery and economic and social alignment. The promptness shown by the Union in the urgent acceptance of proposals to amend the regulation of the European Social Fund plus shows the desire of the Member States to work together as a unitary body and to contribute to not only political and economic development but also to social inclusion issues giving equal opportunities to all persons without any discrimination. Awareness of the danger by the population, referring to other medical risks, must exist in order to contribute civically and at the individual level. For the moment, the idea of the evolution of artificial intelligence has been forgotten, or neglected, which in our opinion, could lead to major losses in the field of social policies for employment.

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Treaty on the Functioning of the European Union.