



Annual review of working conditions in the EU 2008–2009



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2008–2009

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Foreword

This sixth annual review outlines the main legislative and policy developments at EU level in the area of working conditions and quality of work and employment during the period 2008–2009. The report places the spotlight on five key areas: labour market developments and demographic change, social protection, flexicurity and corporate social responsibility (CSR), working conditions, and equal opportunities.

During the reference period, the compromise achieved on the Working Time Directive by the Council of the European Union in June 2008 was rejected by the November European Parliament vote, while a joint opinion by the sectoral social partners paved the way for the directive on temporary agency work. In the area of public health, the European Commission promoted an impact assessment study in the lead-up to proposing a directive on work-related MSDs.

The European Commission's new social package provided for a revision of the maternity leave directive, as well as leave for self-employed people and their assisting spouses. It also aims to integrate people excluded from the labour market. Migration policies achieved legislative progress with a set of directives under the umbrella of the European Commission communication on a common immigration policy.

In February 2008, the Commission and the European social partners set up a 'Mission for flexicurity' in order to promote the practical implementation of the principles in the different national contexts, involving Member States, stakeholders and social partners. In a resolution issued in October, the European Parliament called on Member States, social partners and other key actors in the labour market to encourage CSR and other approaches in order to combat undeclared employment.

We trust that this comprehensive report will provide an informative overview for key actors in the field of working conditions and quality of work and employment in the EU.

Jorma Karppinen
Director

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Deputy Director

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Introduction

The sixth annual review of the European Working Conditions Observatory (EWCO), which is part of the European Foundation for the Improvement of Living and Working Conditions (Eurofound), summarises the main developments at EU level in the area of working conditions and quality of work and employment during the period February 2008 to January 2009. Divided into five thematic chapters, it explores labour market developments and demographic change, social protection, flexicurity and corporate social responsibility (CSR), working conditions, and equal opportunities.

The analysis broadly follows the paper *Quality of work and employment in Europe: Issues and challenges*, compiled by Eurofound in 2002, which identifies four key dimensions necessary for the promotion of quality of work:

- ensuring career and employment security;
- maintaining and promoting the health and well-being of workers;
- developing skills and competences;
- reconciling working and non-working life.

During the reference period, the compromise achieved on the Working Time Directive by the Council of the European Union in June 2008 was rejected by the November European Parliament vote, while a joint opinion by the sectoral social partners paved the way to the directive on temporary agency work. No legislative developments transpired regarding work-related musculoskeletal disorders (MSD); nevertheless, the Health Strategy 2008–2013 and the June European Pact for Mental Health and Well-being offered strong support for an integrated approach.

After the 2 July renewed social agenda, on 3 October the European Commission proposed a social package along the lines of the agenda of the European Alliance for Families, including a revision of the maternity leave directive, as well as leave for self-employed people and their assisting spouses. The social package also aims for the inclusion of people excluded from the labour market. Furthermore, the June European Commission Communication on a common immigration policy was soon followed by several directives on migrant workers.

Following the December 2007 resolution stating the common principles of flexicurity – combining employment flexibility and security – a ‘Mission for flexicurity’ project was launched. In addition, the new ‘Skills needs 2020’ initiative aims to promote an accessible information society in the long term, a goal which is also highlighted in the European Parliament report on the impact of new technologies. Meanwhile, the European Parliament agreed a resolution against undeclared work.

Labour market policies and demographic change

Lisbon Strategy

The European Council of 13–14 March 2008 reconfirmed the four priority areas agreed at its Spring 2006 meeting as the cornerstones of the renewed Lisbon Strategy and of the new cycle (2008–2010). The Council invited the European Commission to present a comprehensive assessment of the future skills requirements in Europe up to 2020, taking into account the impacts of technological change, ageing populations and the migration of third-country nationals.

Intergenerational solidarity should be considered within all four basic components of flexicurity identified by the European Commission:

- flexible and reliable contractual arrangements;
- comprehensive lifelong learning;
- effective active labour market policies (ALMP);
- modern social security systems.

Youth employment is an important priority, especially the transition from education to employment in the context of the implementation of the European Youth Pact. Attention should also be paid to the employment of disabled persons, and to increasing the availability and affordability of quality childcare in line with national and Community targets. Furthermore, efforts should be pursued to reconcile work with private and family life for both women and men, to substantially reduce gender pay gaps and to implement the European Pact for Gender Equality.

On 20 February 2008, a European Parliament resolution welcomed the European Commission's strategic report assessing the implementation of the renewed Lisbon Strategy for growth and jobs. The resolution considers that ALMP focused on flexicurity should include new forms of security, and emphasises the role of education and continuous and workplace training throughout the life cycle in order to combat poverty and counteract ageing. Furthermore, a 'comprehensive European migration policy complementing Member States' policies remains a fundamental priority'.

Guidelines for employment policies 2008–2010

On 8 February 2008, the European Parliament Committee on Employment and Social Affairs published a draft report in response to the European Commission's proposal for a Council decision on guidelines for the employment policies of the Member States for 2008–2010. The committee proposed amendments designed to strengthen the social dimension of the employment guidelines. On 20 May, a European Parliament resolution emphasised the need for both National Reform Programmes and the European Commission's Annual Progress Report to monitor efforts to enhance job quality and equal opportunities, especially by means of lifelong learning and the accreditation of acquired skills. The European Parliament called on Member States to implement guidelines combining high employment levels with high levels of both social and health protection and to combat any kind of discrimination, in cooperation with the social partners. Proposed amendments aim to reinforce the quality of employment by attracting and retaining people in the labour market, by facilitating work-life balance, by narrowing the gender pay gap, by enhancing employability, by

ensuring inclusive labour markets and by expanding the provision of lifelong learning as part of ALMP.

On 3 June 2008, the Council reached a political agreement by accepting in full, partially or in spirit, the European Parliament amendments; the Council decision on guidelines for the employment policies of the Member States was approved on 15 July.

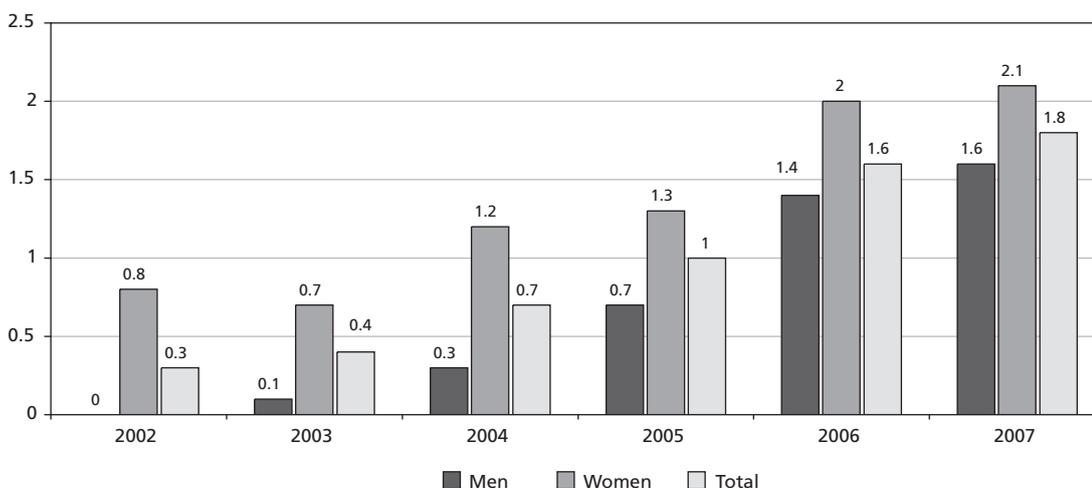
The European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (Centre européen des entreprises à participation publique et des entreprises d'intérêt économique général, CEEP) published an opinion on the European Commission's 2008 strategic report including the Lisbon Progress Report and Integrated Guidelines 2008–2010. CEEP broadly agrees with the analysis of the progress made during the first Lisbon cycle (2005–2008). However, the organisation considers as top priorities the reform of social protection and improving educational outcomes as the foundation for future lifelong learning.

On 28 January 2009, the European Commission's proposed 2009 employment guidelines set as policy priorities improving employability through flexicurity – including for the most vulnerable groups – and improving skills levels and their match with labour market needs. The draft report of the European Parliament Committee on Employment and Social Affairs supports the Commission's approach. However, it points out that it is unlikely that the Lisbon targets for employment, other than for women, will be achieved by 2010. The committee warned that negative forecasts would intensify the risks for employment and social cohesion in the near future, and emphasised the urgent need for a rigorous implementation of the reforms in order to create quality jobs and well-being for European citizens.

Official statistics and trends

Employment growth further accelerated in 2007, by 1.8% of the workforce (Figure 1). The increase in female employment was greater than that for male employment (2.1% and 1.6% respectively).

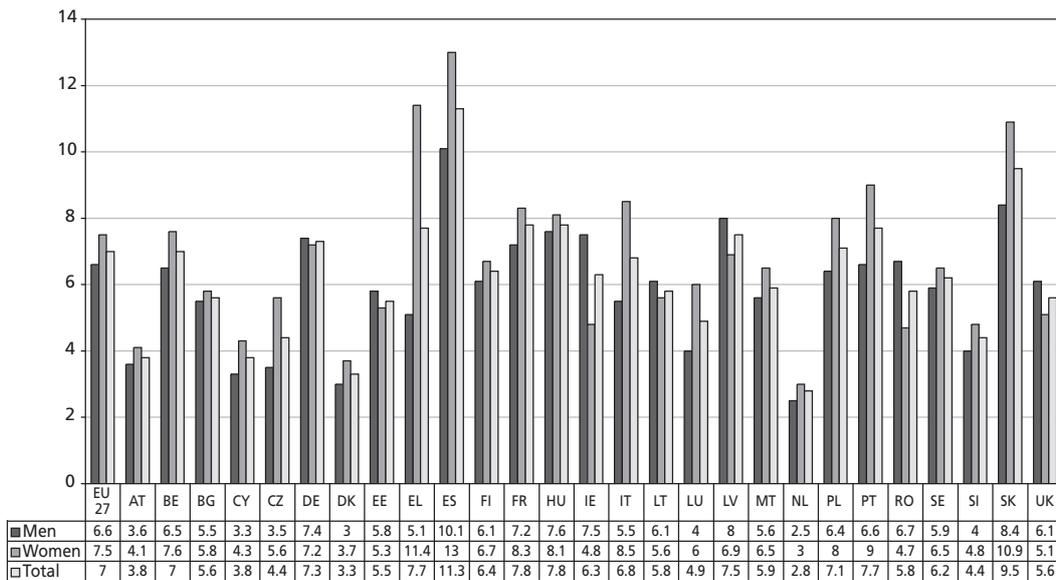
Figure 1 Employment growth, by gender, EU27, 2002–2007 (%)



Source: Eurostat, 2009

In 2008, the unemployment rate in the 27 EU Member States (EU27) was 7% (Figure 2). Spain (11.3%), Slovakia (9.5%) and France (7.8%) show the highest rates while the Netherlands (2.8%), Denmark (3.3%) and Austria (3.8%) report the lowest rates of unemployment. Women report a higher unemployment rate than men at EU level (7.5% and 6.6% respectively) and in most Member States, except in Estonia where the rate for men is 5.8% rate and for women, 5.3%, Germany (7.4% and 7.2% respectively), Ireland (7.5% and 4.8%), Lithuania (6.1% and 5.6%), Romania (6.7% and 4.7%) and the United Kingdom (UK) (6.1% and 5.1%).

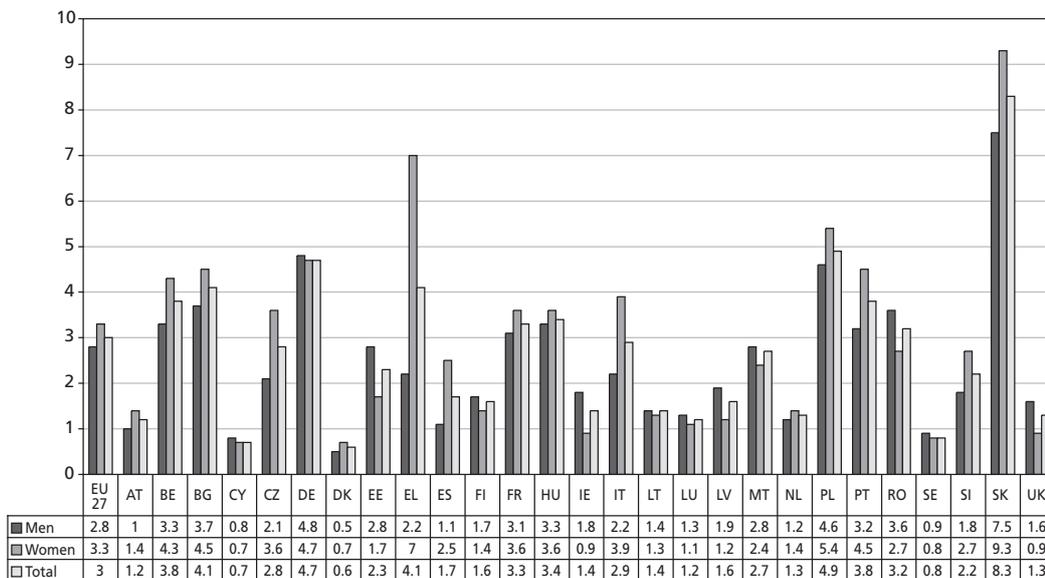
Figure 2 Unemployment rates, by gender, 2008 (%)



Note: See annex for list of country codes.

Source: Eurostat, 2009

Figure 3 Long-term unemployment rates, by gender, 2008 (%)

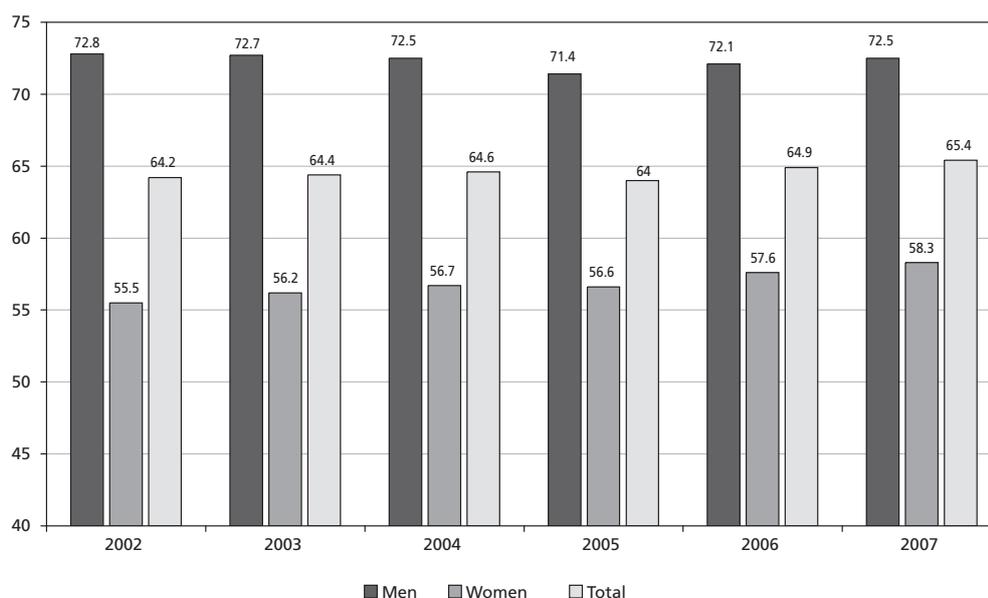


Source: Eurostat, 2009

The long-term unemployment rate in 2008 was 3% in the EU (Figure 3). Slovakia (8.3%), Poland (4.9%) and Germany (4.7%) show the highest rates, while Denmark (0.6%), Cyprus (0.7%) and Sweden (0.8%) report the lowest rates of long-term unemployment. Women have a higher rate than men overall (3.3% and 2.8% respectively), while in 12 Member States more men than women are unemployed long term: the most notable gaps are reported in Estonia (2.8% and 1.7% respectively), Ireland (1.8% and 0.9%), Latvia (1.9% and 1.2%), Romania (3.6% and 2.7%) and the UK (1.6% and 0.9%).

The EU employment rate reached 65.4% in 2007 (an increase of 1.2% on 2002), well below the Lisbon target of 70% (Figure 4). Nevertheless, Denmark (77.1%), the Netherlands (76%), Sweden (74.2%), the UK (71.5%), Austria (71.4%), Cyprus (71%) and Finland (70.3%) achieved this target while Estonia was very close to it (69.4%). The employment rate of men in 2007 was still lower than in 2002 (72.5% as against 72.8%), but was on the increase compared with 2005 (71.4%). The employment rate of women has increased to 58.3%, up from 55.5% in 2002.

Figure 4 Employment rate, by gender, EU27, 2002–2007 (%)

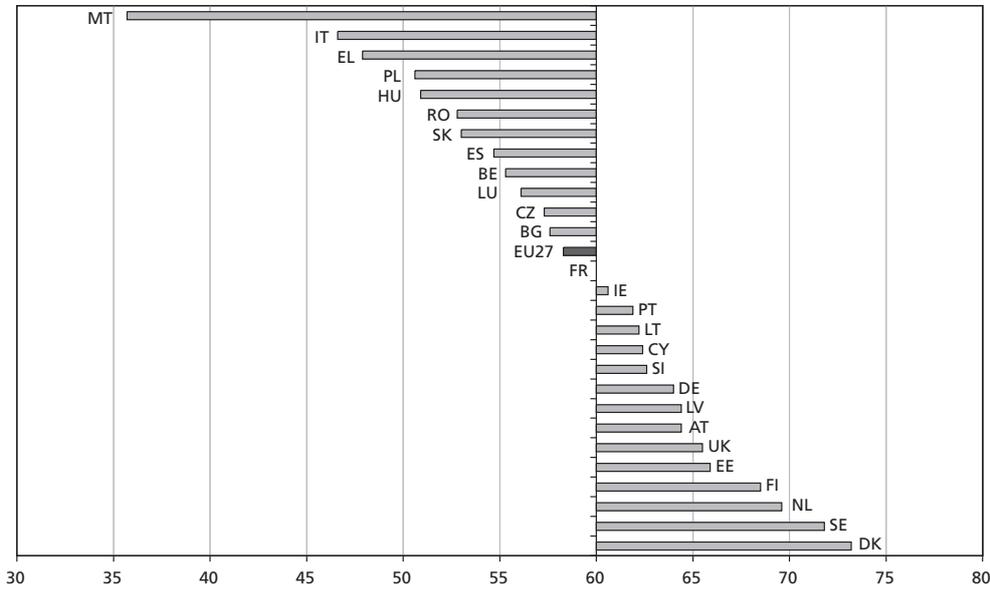


Source: Eurostat, 2009

While the employment rate for women is still below the Lisbon target of 60%, fifteen countries in 2007 had already achieved this goal (Figure 5). Denmark (73.2%), Sweden (71.8%) and the Netherlands (69.6%) show the highest rates, while Malta (35.7%), Italy (46.6%) and Greece (47.9%) report the lowest rates of female employment.

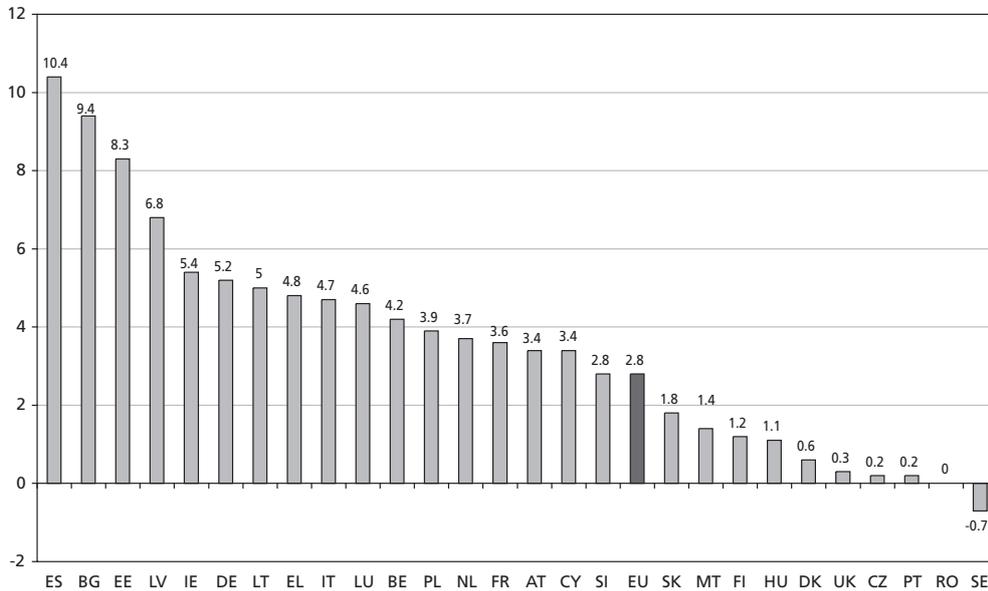
Women's employment grew by 2.8 percentage points in 2007 compared with 2002 (Figure 6). Spain (+10.4 percentage points), Bulgaria (+9.4 percentage points) and Estonia (+8.3 percentage points) report the strongest increase while Portugal shows the lowest increment (+0.2 percentage points). No increase is reported in Romania, while Sweden shows a decline in female employment (-0.7 percentage points).

Figure 5 Employment rates for women, by country, 2007 (%)



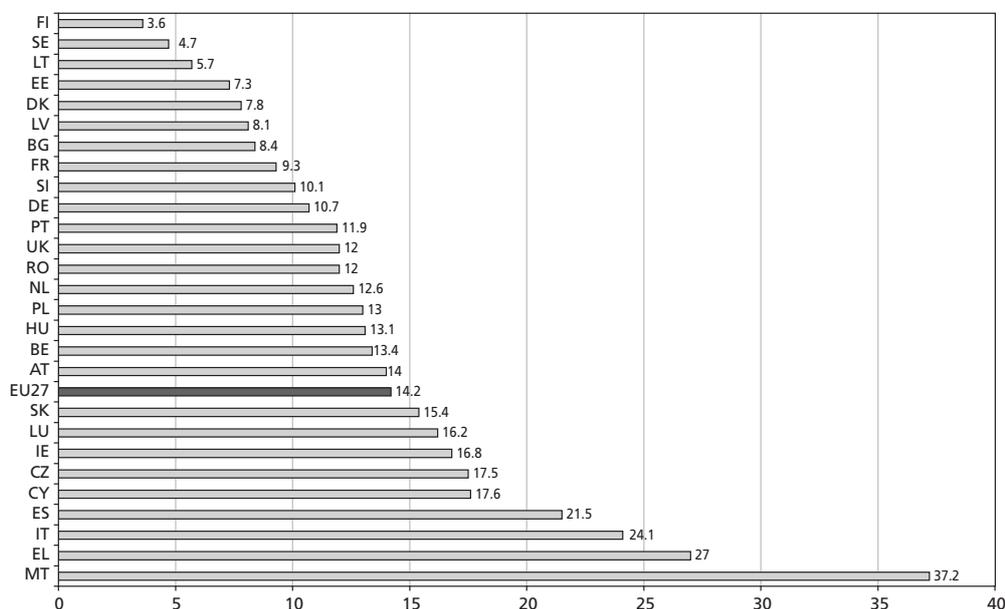
Source: Eurostat, 2009

Figure 6 Changes in female employment, 2002–2007 (percentage points)



Source: Eurostat, 2009

The gap in employment rates between men and women – the gender gap – was 14.2 percentage points in 2007 (Figure 7). Finland (3.6 percentage points), Sweden (4.7 percentage points) and Lithuania (5.7 percentage points) show the smallest gap, while Malta (37.2 percentage points), Greece (27 percentage points) and Italy (24.1 percentage points) report the widest gap.

Figure 7 Gender gap in employment, by country, 2007 (percentage points)

Source: Eurostat, 2009

On 22 July 2008, the Statistical Office of the European Communities, Eurostat, published the EU Labour Force Survey – *Annual results 2007* presenting annual averages of the main results of the EU Labour Force Survey (LFS) for the EU27 and for all of the Member States.

Chapter 1 of the report *Employment in Europe 2008*, published on 18 November 2008, pays special attention to the progress made with regard to the Lisbon and Stockholm targets; the 2001 European Council in Stockholm set a target employment rate of 50% for older workers, defined as the 55–64 years age group. The report also focuses on how employment and labour productivity growth interact in order to achieve higher sustainable economic growth, noting that no Member State is simultaneously obtaining very high employment and productivity growth. In fact, the targets are still far from being achieved despite the progress made in recent years, especially with regard to older workers.

On 1 December 2008, Eurostat published the *Quality Report of the European Union Labour Force Survey 2006*, which discusses the quality concept according to six components of relevance, accuracy, timeliness and punctuality, accessibility and clarity, comparability and coherence. It complements the methodological working paper *Labour Force Survey in the EU, Candidate and EFTA countries*, published on 1 September 2008, and the report *Transition from work into retirement*, issued on 25 November 2008.

On 30 January 2009, Eurostat published the *ESS Standard for Quality Reports*, aiming to assist national statistical institutes and Eurostat in meeting the Code of Practice standards by providing recommendations for preparing comprehensive quality reports for the full range of statistical processes and their outputs. Quality reports should conclude with a section referring to the principal

quality problems, each of which should be accompanied by recommendations for improvements. The intended users and uses of the quality report and the follow-up action items should be indicated. A key objective is to promote harmonised quality reporting across statistical processes and across Member States, thus facilitating cross-comparisons of processes and outputs.

Demographic change and worklife cycle

On 21 February 2008, a European Parliament resolution on the demographic future of Europe supported the European Commission's integrated approach to the demographic challenge and the five core policy directions leading to a solidarity pact between the generations, between men and women and among the regions. However, it regrets that no adequate measures have yet been taken to prepare the EU for this challenge and that neither the Lisbon Strategy objectives nor the commitments made at the 2002 Barcelona European Council have been met by the great majority of Member States, and by the EU as a whole. (The 2002 commitments pertained to childcare, employment for those aged over 55 years, better balancing of family life and work, and women's participation in working life.) The European Parliament calls for a reform of current European human resource management according to a global and qualitative approach since it currently limits to about 30 years the working life of a large part of the population. Finally, the European Parliament proposes defining an 'active life cycle', combining training, lifelong learning and the optimisation of formal and informal knowledge and qualifications.

The second European Demography Report, *Towards better societies for families and older people*, was published on 21 November 2008 and presented at the second European Demography Forum on 24–25 November in Brussels. It focuses on the modernisation of family policies and opportunities for enhancing the contribution of older people to the economy and society.

The report emphasises that countries with high levels of female employment also have higher fertility rates, suggesting that achieving a satisfactory work–life balance for women may be crucial to both higher female employment and a relatively high fertility rate. Part-time work is seen as a good way of achieving a gradual transition from work to retirement, but only about 11% of men and 38% of women aged 55–64 years work part time. Thus, the typical transition still seems to be from full-time employment to full-time retirement.

Published in October 2008, the Eurobarometer report *Family life and the needs of an ageing population* outlines that, although satisfaction with family life was high across the EU (according to nine out of 10 families), half of the interviewees found it difficult to combine work and family life; this was the case for more than half of the women (55%) and single-parent households (57%) surveyed. Furthermore, two thirds of EU citizens give high priority to more flexible childcare arrangements and to greater tax advantages for families with children. Women and single-parent households would like longer paid parental leave and consider that incentives for fathers to take parental leave should be given high priority in their country; on the other hand, men more frequently regarded such measures as low priority.

According to the European Trade Union Confederation (ETUC) report *Demography and the labour market: a challenge for the unions*, published on 17 March 2008, demographic change poses several challenges and opens up opportunities for policies promoting quality of work in terms of involvement

in the workplace. The report outlines the need to redesign early retirement systems and to anticipate restructuring operations by setting up 'warning systems' so that staff can make preparations upstream for new jobs or new tasks. Moreover, accompanying return-to-work strategies, it is important to introduce – as part of lifelong learning – skills assessments, professional career guidance, personalised training courses and individual support. Return-to-work strategies are often devised for particular target groups, such as women after career breaks, people unemployed for longer periods and older workers. The report maps public measures and social partners' agreements across the EU27 and Norway that promote the employment of both younger and older workers, and includes good practices at national level, as reported by national trade unions.

Youth

On 20 March 2008, the Youth in Action programme outlined its 2008–2009 priority aiming to support non-formal learning youth projects that combat violence against women. This objective was set in order to dispel gender stereotypes and promote gender equality.

On 22 October, the European Commission launched a public consultation on how EU youth policy should develop in the future.

Older workers

Published on 1 May 2008, the Eurofound report *Working conditions of an ageing workforce*, based on the results of the fourth *European Working Conditions Survey (EWCS)*, finds that older workers are more 'protected' from risk exposure, have a higher degree of autonomy in the workplace and a lower degree of work intensity. However, they have fewer opportunities with regard to involvement in new organisational forms, training and learning new things at work. Young and older workers share a higher probability of being subject to acts of discrimination at the workplace and, to a lesser extent, of experiencing difficulties in accessing information technology (IT). Workers approaching retirement age (45–54 years) emerged as the key target group to monitor in their working conditions in order to ascertain the presence of factors that could determine their early exit from the labour market.

The 2008 study report *Analysis of the average exit age from the labour force*, prepared on behalf of the European Commission, argues that neither dynamic nor static exit age indicators are ideal for international comparisons because of the high level of variation over time. Furthermore, the new longitudinal Survey of Health, Ageing and Retirement in Europe (SHARE) is not yet considered usable for calculating the labour market exit age.

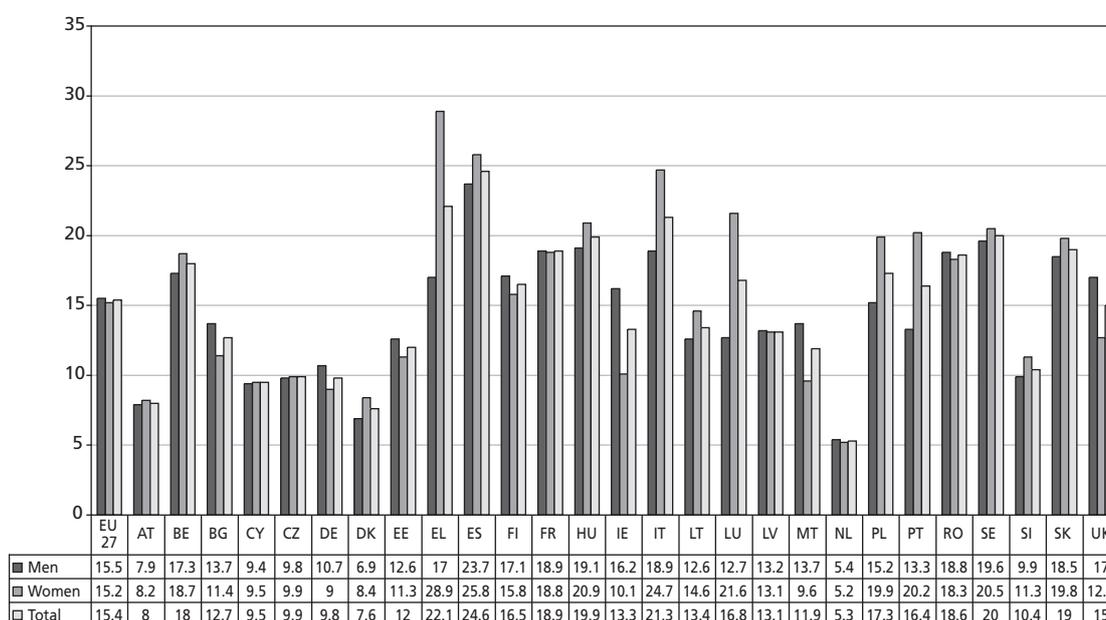
A working-life expectancy indicator is instead proposed, for estimating 'survival in the labour market'. It combines the probability of being alive with the probability of being part of the labour force at the moment of observation and shows clear advantages compared with the static and dynamic indicators as regards accuracy, comparability, stability and interpretability of results. However, LFS data on labour force participation remain the main input of the calculations for all approaches, and greater accuracy at national level is needed through adequate estimation procedures for the activity rates of smaller countries in particular. The report calls for more accurate activity rate estimates, an extension of the retirement age from 65 to 75 years and the calculation of life tables for all countries observed in order to estimate working life expectancy.

In November 2008, the report *First results from the survey of health, ageing and retirement in Europe (2004–2007) – Starting the Longitudinal Dimension* presented the main results of the second wave of SHARE. It shows that individuals in good health retire about two years later than workers in poor health: thus, spending 3% of labour income on preventing poor health pays for itself by preserving employability. Furthermore, quality of employment is strongly associated with well-being and postponing retirement; by contrast, lower quality of employment tends to be accompanied by poor health and depression.

Official statistics and trends

Figure 8 shows that the youth unemployment rate was 15.4% in 2008 in the EU, slightly higher for men (15.5%) than for women (15.2%). Spain (24.6%), Greece (22.1%) and Italy (21.3%) show the highest rates in the EU27, while the Netherlands (5.3%), Denmark (7.6%) and Austria (8%) report the lowest rates of unemployment among young people. In some countries, a greater proportion of young women than men are unemployed – Greece (11.9 percentage points), Luxembourg (8.9 percentage points) and Portugal (6.9 percentage points). In others, the reverse is the case: Ireland (6.1 percentage points), the UK (4.3 percentage points) and Malta (4.1 percentage points) report the widest gap with regard to a greater proportion of young men than women experiencing unemployment.

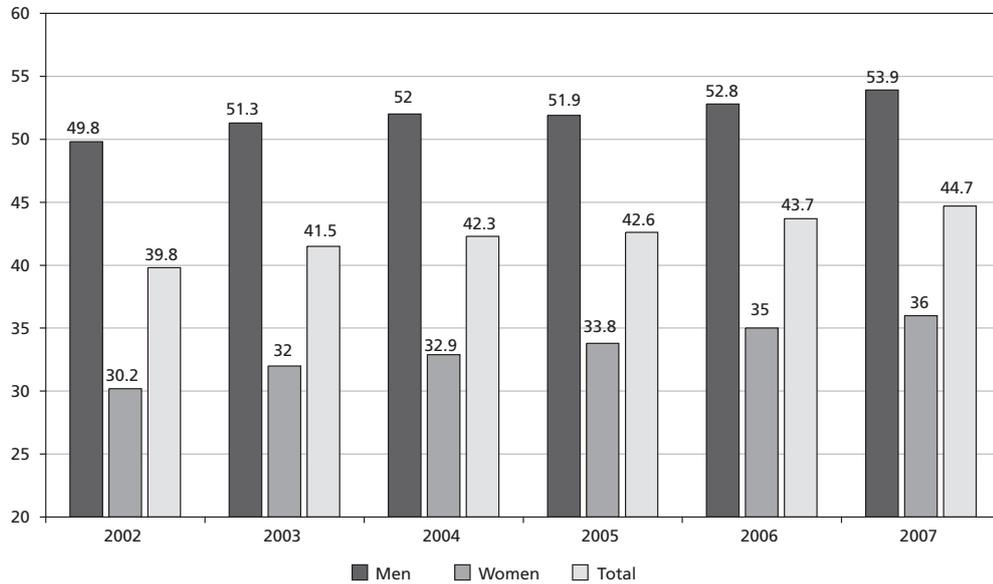
Figure 8 Youth unemployment rates, by gender, 2008 (%)



Source: Eurostat, 2009

In 2007, the employment rate of older workers (aged between 55 and 64 years) was 44.7% in the EU, 5.3 percentage points below the Stockholm target of 50% (Figure 9).

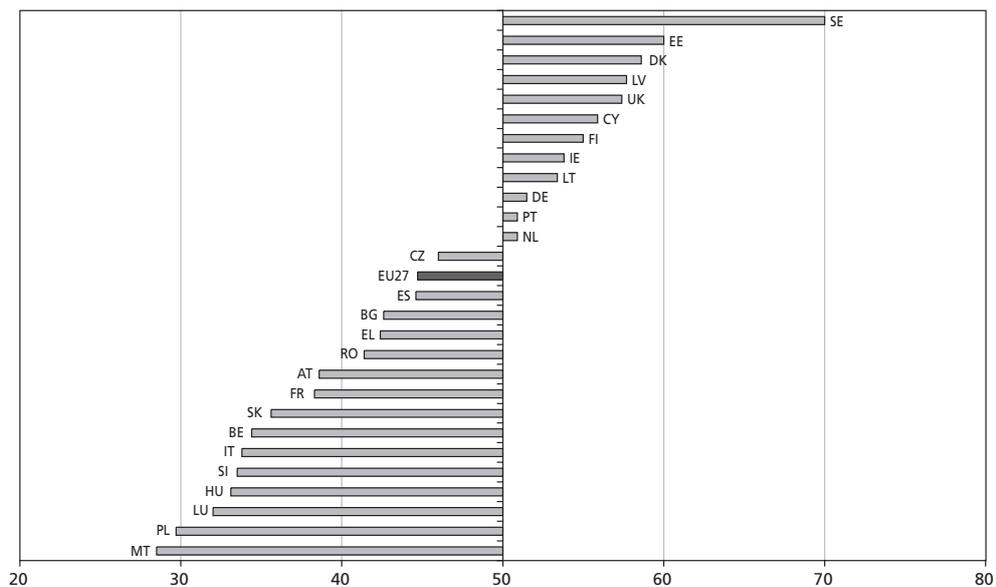
Figure 9 Employment rates of older workers, by gender, EU27, 2002–2007 (%)



Source: Eurostat, 2009

Figure 10 shows that 12 Member States including three new Member States (NMS) – Cyprus, Estonia and Latvia – have already achieved the Stockholm employment target for older workers. Sweden (70%), Estonia (60%) and Denmark (58.6%) show the highest rates, while Malta (28.5%), Poland (29.7%) and Luxembourg (32%) report the lowest employment rates of older workers.

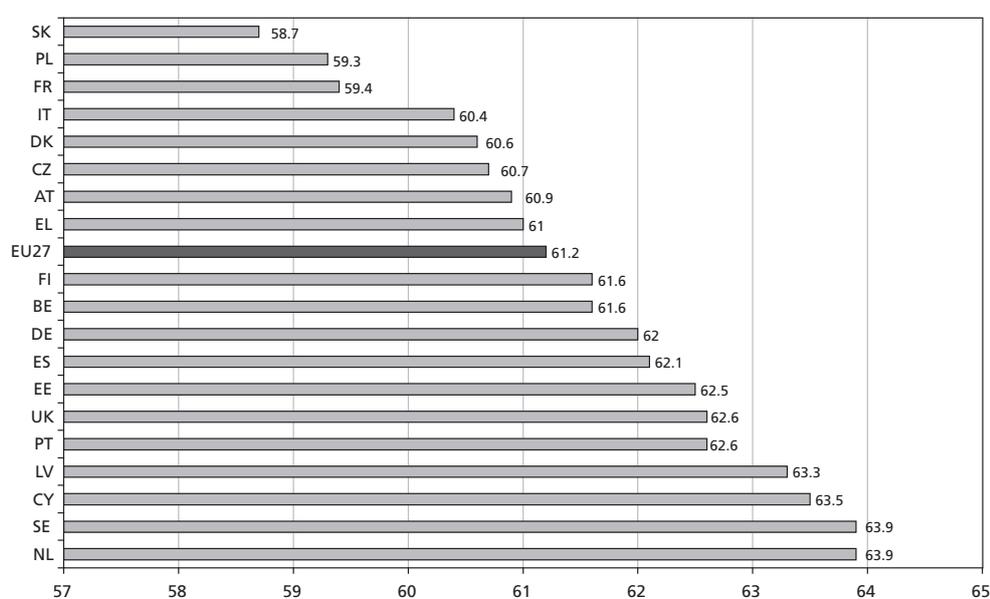
Figure 10 Employment rates of older workers, by country, 2007 (%)



Source: Eurostat, 2009

The average exit age from the labour market in the EU27 is 61.2 years, ranging from 58.7 years in Slovakia to 63.9 years in the Netherlands and Sweden (Figure 11). The 2002 European Council in Barcelona set the target of increasing the average exit age by five years by 2010.

Figure 11 Average exit age from labour force, 2007 (years)



Notes: No data for BG, IE, LT, LU, HU, MT, RO and SI.

Source: Eurostat, 2009

Mobility

European Job Mobility Action Plan (2007–2010)

According to the European Commission *Report on transitional arrangements regarding free movement of workers*, published on 18 November 2008, the free movement of workers did not lead to serious disturbances in labour markets nor did it have a negative impact on wage levels and unemployment (press release). In fact, fewer restrictions seem to reduce the incidence of undeclared work and other possible negative consequences. Thus, the Commission encourages Member States to lift as quickly as possible the restrictions to the free movement of workers applied to the NMS that joined the EU in 2004 and 2007. Similar conclusions are reported in Chapter 3 of *Employment in Europe 2008*.

The European Parliament resolution of 18 December 2008 on the European Job Mobility Action Plan considers that, while the Commission's plan covers the main issues relating to mobility, much more action still needs to be taken, notably in creating stronger links between education systems and the labour market and in providing proper information on mobility. Long-term labour mobility in all fields would play a key role in promoting the growth and employment objectives of the Lisbon Strategy if combined with safeguarding workers' social security and trade union rights, in accordance with the traditions and customs of the Member States.

On 21 January 2009, the Czech EU Presidency organised an informal meeting of ‘Social Troika’ between the EU Social Troika of Ministers for Employment – from the Czech Republic, Sweden and Spain – and the European Commission, European social partners and the Platform of European Social Non-governmental Organisations (NGOs). The meeting discussed the three main forms of mobility: geographical, professional and social. Economic downturns require ‘quick adaptation of employees to changing conditions, transfer of workforce to regions where new jobs are being created as well as rapid re-inclusion of unemployed and inactive persons into the labour market’ (press release ‘Labour mobility to cure financial and economic crisis’).

Seafarers

On 20 May 2008, coinciding with European Maritime Day, the social partners in the maritime shipping industry – the European Transport Workers’ Federation (ETF) and the European Community Shipowners’ Associations (ECSA) – concluded an agreement implementing certain provisions of the International Labour Organization (ILO) Maritime Labour Convention, 2006. The agreement aims to provide decent working and living conditions on board ship, by ensuring clear information, reasonable working time, annual leave, repatriation and compensation in the case of injury, loss or unemployment arising from the ship’s loss or foundering, career and skills development, rest periods, accommodation, recreational activities, food and catering, medical care, health and safety, and welfare. It will cover more than 300,000 maritime workers across Europe. On 2 July 2008, the European Commission proposed a council directive (COM(2008) 422 final) implementing the new agreement and amending Council Directive 1999/63/EC concerning the Agreement on the organisation of working time of seafarers.

Code of conduct on cross-border recruitment in European hospitals

On 7 April 2008, the European Hospital and Healthcare Employers’ Association (HOSPEEM) and the European Federation of Public Service Unions (EPSU) – as the social partners in hospital activities – signed a *Code of Conduct and Follow-up on ethical cross-border recruitment and retention in the hospital sector*. Several healthcare occupations appear to have little attraction for workers, which means that policies are needed to encourage qualified personnel back to the sector. Furthermore, this labour shortage necessitates greater migration and mobility of qualified workers within the EU from the poorest to the richest countries and also from third countries. This raises ethical issues in recruiting policies: in order to guarantee high-level healthcare services across Europe, the social partners have agreed on some key principles and commitments that may assure an adequate supply of well-trained healthcare workers. These commitments include:

- the collection of reliable and comparable data on migration and migrant healthcare workers for employers and trade unions;
- effective workforce planning and human resource development strategies at local, regional and national levels;
- equal access to training and career opportunities;
- the posting on the internet of hospital job vacancy notices across the EU.

Posting of workers

In line with the December 2007 judgements on the Laval case and the Viking case, the European Court of Justice (ECJ) delivered two further rulings on the posting of workers and upholding the

freedom to provide services. On 3 April 2008, the ECJ judgement on the Ruffert case denied the possibility for a public authority to select as contractors of public works only those undertakings agreeing in their tenders to pay their employees at least the minimum wage prescribed by collective agreements of the country where services are provided. In June 2008, the ECJ decided in the Commission vs Luxembourg case that the country provided no reason in terms of the public interest to allow a derogation to the freedom to provide services, according to Article 49 of the EC Treaty, such as imposing additional burdens and obligations on undertakings established in another Member State.

ETUC declared its strong opposition to all of these rulings (press release, 19 June 2008). Its resolution of 4 March 2008 considers the ECJ judgements on Viking and Laval as seriously dangerous for the capability of trade unions to defend their members against the risk of 'social dumping' and to promote equal treatment for migrant and local workers. ETUC therefore proposes a 'social progress clause' to avoid interpretation of the EC Treaty where the free movement provisions negatively affect fundamental rights. The trade union confederation expressed an equally negative opinion after the ECJ ruling on the Ruffert case (press release, 3 April 2008).

On 7 October 2008, the employer organisation BusinessEurope supported the above ECJ judgements. It is convinced that there is no need to revise Directive 96/71/EC concerning the posting of workers in the framework of the provision of services in light of the ECJ judgements since the rulings will contribute to a better functioning of the internal market while at the same time protecting workers' rights. The ECJ rulings will lead to a more secure legal environment for companies operating in different EU Member States and help to remove unjustified restrictions on freedom of establishment and the freedom to provide services.

On 3 April 2008, the European Commission adopted a recommendation on enhanced administrative cooperation in the context of the posting of workers in the framework of the provision of services. It aims to:

- develop an electronic information exchange system, such as the Internal Market Information system (IMI), by identifying – in close cooperation with the Commission services – the main issues on which information will have to be exchanged, the competent authorities and their role;
- enhance access to information on the terms and conditions of employment that must be applied by the service provider;
- participate actively in the identification and exchange of good practice.

The opinion of 29 May 2008 of the European Economic and Social Committee (EESC) supports the European Commission's initiatives but expresses concern that they are too one-sided in their approach. In the view of the EESC, the same degree of importance should also be attached to enforcing employees' protected rights under the posted workers directive. In particular, the EESC – while encouraging the Council to adopt the proposed recommendation – has misgivings about the abolition of the obligation to keep social registers in the Member State in which the service is being provided.

The Council conclusions of 9 June 2008 of the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) call on Member States to examine, in close cooperation with the European

Commission, how to reinforce information exchange. The conclusions also invite the Commission to institutionalise the informal group on the posting of workers by setting up a committee of experts to engage with the public bodies responsible for control, such as labour inspectorates. In addition, at appropriate levels and in accordance with national law and practice, it should formally and regularly involve the social partners, particularly in economic sectors with a high incidence of posted workers.

Migration

Common migration policy

The European Commission Communication, *A common immigration policy for Europe: Principles, actions and tools* (COM(2008) 359 final), published on 17 June 2008, highlights the potential contribution of immigration to EU economic performance. In order to manage immigration effectively in an open Europe, a common policy vision based on transparency and mutual trust is needed, while effective management of migration flows requires cooperation with third countries. The positive potential of immigration can only be realised if integration into host societies is successful: this requires an approach looking both at the benefits for the host society and taking into account the interests of the immigrants. Foreign nationals are often employed in precarious work, jobs of lower quality or jobs for which they are over-qualified, with the result that their skills are not fully utilised ('brain waste'), and they are more likely to undertake undeclared work. In fact, illegal employment needs to be tackled as it creates situations of abuse and violates fundamental rights and freedoms.

Return policy as part of fight against illegal immigration

In 2005, the European Commission published a proposal for a directive on common standards and procedures in Member States for returning illegally staying third-country nationals. On 18 June 2008, the European Parliament position on adopting such a directive approved the agreement reached with the Council establishing clear, transparent and fair rules for an effective return policy, applicable to all third-country nationals who do not or who no longer fulfil the conditions for entry, stay or residence in a Member State. Decisions should be adopted on a case-by-case basis according to objective criteria, implying that consideration should go beyond the mere fact of an illegal stay. International cooperation with the countries of origin at all stages of the return process and the establishment of fair and efficient asylum systems fully respecting the principle of non-refoulement (ensuring that people are not returned to dangerous areas) are key prerequisites to achieving a sustainable return policy.

Migration policy on highly qualified employment

On 6 March 2008, the European Association of Craft, Small and Medium-sized Enterprises (Union Européenne de l'artisanat et des petites et moyennes entreprises, UEAPME) restated its support for the European Commission proposal for a directive on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment (COM(2007) 637 final). This is the so-called EU 'Blue Card' proposal addressed to high-qualified foreign workers from outside the EU. However, UEAPME considers that the conditions to move across Member States for work purposes are too complicated and consequently they would not help to make Europe an attractive place to work for this category of third-country nationals.

On 16 July, BusinessEurope welcomed the EU Blue Card as responding to companies' skills shortages. However, in a position paper, it strongly opposed the introduction of a wage threshold

because this would amount to a form of wage-setting at EU level for those in highly qualified employment. In the opinion of BusinessEurope, wages should be defined nationally, respecting the competence of the social partners and/or the individual company and employee to determine pay levels.

On 20 November, after the draft report from the Committee on Civil Liberties, Justice and Home Affairs, a European Parliament resolution adopted the Commission proposal while introducing several amendments. In particular, it reinforced clauses committing Member States not to actively seek to attract highly qualified workers in sectors already subject, or expected to be subject, to a shortage of such workers in the third countries. Qualifying certifications and previous work experience were redesigned by broadening the scope of the directive. The amendments lowered the wage threshold to 1.7 times the gross monthly or annual average wages in the Member State concerned. Furthermore, the wages shall not be inferior to those which apply or would apply to a comparable worker in the host country. The changes in relation to remuneration aim to enable small and medium-sized enterprises (SMEs) and higher-education establishments to recruit highly qualified individuals.

Single application procedure for single permit

On 24 September 2008, the European Parliament's Committee on Civil Liberties, Justice and Home Affairs issued a draft report on the European Commission proposal for a directive on a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State and on a common set of rights for third-country workers legally residing in a Member State (COM(2007) 638 final). The draft report recommends the simultaneous adoption of this directive with the Blue Card directive to avoid the effects of a twin-speed immigration policy favouring immigration by highly-skilled people while refusing access and rights for less-skilled workers.

On 20 November 2008, a European Parliament resolution approved the Commission proposal with several amendments establishing a general framework for equal treatment and, in accordance with future legislation in the field, strengthening Member States' competences and responsibilities while retaining the uniqueness of the procedure.

Sanctions against employers of illegal third-country nationals

On 13 March 2008, an EESC opinion endorsed the European Commission proposal for a directive providing for sanctions against employers of illegally staying third-country nationals. However, the EESC raises some doubts about its content since migrants' employment is closely connected to the operation of the labour market and illegal employment in particular. Evidence shows that illegal work cannot be prevented by punishing employers alone: the fight against undeclared work is at its most effective when based on a number of parallel and concurrent courses of action. The EESC considers the proposed directive as part of a broader package of measures to combat undeclared work – including among illegal immigrants – and that it does not represent a fundamental policy instrument, as proposed by the Commission.

Official statistics and trends

Published on 24 September 2008, the Eurofound report, *Equality and diversity in jobs and services: City policies for migrants in Europe*, presents and analyses innovative diversity and equality policies in a number of cities. It enables an exchange of experiences to encourage and support a learning process within the European network of cities for local integration policies for migrants (CLIP), grouping 30 European cities, European organisations and research institutes. Four research modules were established on housing, equality and diversity policies in relation to employment, intercultural policies and intergroup relations, and ethnic entrepreneurship. The network enables local authorities to learn from each other and to deliver a more effective integration policy. Their experiences provide for several recommendations for policymakers at any level, combining strategies aiming to integrate migrant workers with anti-discrimination policies.

According to the European Commission report, *Migrant women in the European labour force*, prepared with the Rand Corporation non-profit research institute and published in October 2008, migrant women are much less likely than native-born women to combine employment with having young children, while third-country migrant women are more likely to have young children in their households. Despite many differences among countries – particularly between ‘old’ and ‘new’ receiving countries – migrant women with a child aged under five years have a lower labour force participation rate and higher rates of underemployment, such as involuntary part-time work or temporary contract work, than their native-born counterparts. This suggests that migrant women have less access to work–life balance arrangements and childcare facilities. The study includes many policy recommendations, such as the need for language training and better access to support services for migrant women, and the need for a multidimensional approach to tackling migrant women’s exclusion from the labour force.

On 5 October 2008, the Directorate General (DG) for Economic and Financial Affairs published the European Economy Special report, *Labour market and wage developments*, in 2007, with special focus on the impact of immigration, showing an increase in intra-EU mobility. The proportion of EU migrants is higher than that of third-country nationals, with the notable exceptions of Germany, Italy and Spain. Furthermore, the EU tends to attract more immigrants among less educated people. Nevertheless, compared with native-born workers with third-level education, high-skilled foreigners represent a relatively higher share in employment.

According to the European Commission Communication, *The impact of free movement of workers in the context of EU enlargement* (COM(2008) 765 final), published on 18 November 2008, a large part of post-enlargement mobility appears to be temporary. The experience since 2004 suggests that lifting restrictions on labour market access reduces the likelihood of undeclared work by citizens from the NMS and that restrictions on labour market access will only delay labour market adjustments. Mobility has a positive impact on growth, with little effect on wages and the employment of local workers and no indication of serious labour market imbalances through intra-EU mobility, even in those Member States with the biggest inflows. Finally, in many countries, labour shortages have been aggravated by strong economic growth, relatively low labour market participation, particularly of younger and older persons, and low internal mobility.

According to the Eurostat publication, *Recent migration trends*, citizens of EU27 Member States become ever more mobile while EU remains attractive to non-EU citizens, released on 18 November

2008, in 2006 about 3.5 million people settled in a new country of residence in the EU27. After rather rapid growth in 2003 compared with 2002, the rise in immigration slowed in the last few years. The biggest increases in immigration occurred in Ireland and Spain. Some 52% of immigrants were citizens of non-EU countries, while 14% were nationals returning to their own country. More men than women migrate; however, women migrate at a younger age. Non-EU migrants were the youngest among immigrants to EU Member States.

Chapter 2 of *Employment in Europe 2008* confirms these results but highlights that immigrants tend to have lower employment rates and a greater risk of being unemployed. Precarious employment is significantly more widespread among third-country migrants: almost a quarter (22%) of non-EU-born employees hold temporary employment contracts, compared with 14% of employees who were born in the EU. This proportion increases to 34% among new migrants.

New Social Policy Agenda

According to the European Commission's renewed social agenda, issued on 2 July 2008, new developments such as globalisation, technological, demographic and climate changes, and immigration call for an urgent review of the EU Social Policy Agenda. A different approach should be developed based on opportunities, access and solidarity, by empowering and enabling individuals to realise their potential while also helping those who are unable to do so. The EU has to innovate in the way that it sets policy frameworks, in its legislation, in bringing people together in the exchange of best practice and in catalysing new approaches.

'Make transitions pay' is a growing challenge for labour markets experiencing increasing mobility. The European Employment Strategy can respond to this challenge, especially through flexicurity policies, anticipation and management of current and future skills shortages such as with regard to 'green jobs', and managing migration. Modernisation and effective development of social services of general interest and of social protection systems are required to improve social and regional cohesion and financial sustainability.

ETUC observes that the renewed social agenda includes some good intentions but states that this will not be enough to win the hearts and minds of the people of Europe; in order to meet their needs, a more ambitious approach is necessary (press release, 2 July 2008).

BusinessEurope, while sharing the European Commission's analysis, emphasises the 'urgent need to modernise European social systems' and calls on the Commission to ensure that the new social agenda focuses on issues that are essential for competitiveness and job creation (press release, 2 July 2008). In the opinion of BusinessEurope, some of the proposals could undermine the Lisbon goals of enhancing growth and jobs. Moreover, the employer organisation considers that the EU should not set minimum income schemes.

EuroCommerce represents the retail, wholesale and international trade sectors in Europe. It welcomes the European Commission's holistic approach but expresses concern that some of the proposals could jeopardise the Lisbon objectives on increasing growth and jobs (press release, 3 July 2008).

In its opinion, CEEP welcomes the recognition that education, healthcare and access to other essential services of general interest are key to the achievement of a genuine European social dimension and that social, economic and environmental policy priorities need to go hand in hand. However, it regrets that the holistic approach later translates into a 'shopping list' rather than a fully prioritised approach.

The European Confederation of Executives and Managerial Staff (Confédération européenne des cadres, CEC) agrees with the analysis of the European Commission regarding the societal changes that Europe is going through and the holistic approach adopted (newsletter editorial, July–August 2008).

According to the Joint Social Protection Committee (SPC)-Employment Committee (EMCO) opinion on the renewed social agenda issued on 28 November, the holistic approach embraced by the renewed social agenda contributes to opening ways to mainstream employment and social goals in

all EU policies. Moreover, it establishes instruments to act in synergy with the Lisbon Strategy, keeping the social dimension as a fundamental pillar of the European social model.

Social protection and social inclusion

Active inclusion of people furthest from labour market

On 25 February 2008, BusinessEurope issued its response to the second-stage consultation on the active inclusion of people furthest from the labour market. The European Commission had referred to the launching of this consultation phase in its Communication, *Modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market* (COM(2007) 620 final). BusinessEurope supports the Commission in removing the obstacles to creating new jobs and assisting workers in grasping employment opportunities. It recognises the right to sufficient income support, reiterates the importance of incentives and of reducing indirect labour costs, particularly for low-skilled workers, and acknowledges the need to encourage people to move from social benefits into a job.

EuroCommerce and United Network International (UNI)-Europa Commerce support the European Commission approach in their common contribution on the second-stage consultation. They insist on the importance of implementing efficient active labour market measures and agree on the importance of improving other labour market policies, such as financial incentives and anti-discrimination legislation.

In its reply, UEAPME notes that there is no ‘one size fits all’ approach and it strongly regrets that the prevention aspect has been neglected. In its view, this makes the European Commission approach unbalanced, concentrating only on rights without mentioning any type of obligations of the individual.

The European Confederation of Private Employment Agencies, Eurociett, emphasises in its contribution the role of ALMP as an effective tool for helping unemployed people to enter and remain in the labour market, and for reducing labour market segmentation. Guiding principles can help Member States to review national social protection systems and policies in facilitating access to the labour market and developing special assistance for target groups.

In its response, ETUC supports the European Commission approach, although it does not wish to reduce this debate to an excessively ‘workfare’ approach, that is, prioritising work at all costs, without considering the quality of the work. As recognised in the Charter of Fundamental Rights of the European Union, income support is a right and must be ‘decent’, ensuring sufficient income to avoid social exclusion and to be above the poverty income level. ETUC deplores the development of precarious employment, since it does not allow people to escape from poverty or social exclusion and states that, hence, the Commission should pay attention to the quality of work.

Workability Europe, the largest employer body representing providers of work and employment services to people with disabilities, supports the Commission’s approach in its position paper. It considers that maximising the employment of people with disabilities requires the development of innovative solutions and practices, many of which could also be applied to older workers since they may face similar needs.

The autumn 2008 synthesis report of the Mutual Learning Programme of the European Employment Strategy outlined ways to prevent labour market exclusion, especially of people with work incapacities, unemployed persons and school-leavers, by identifying aspects of mutual learning and transferability.

The European Parliament resolution of 9 October 2008 on promoting social inclusion and combating poverty, including child poverty, in the EU considers that active social inclusion policies must make a decisive impact on the eradication of poverty and social exclusion, both for the 'working poor' and for those not in paid employment. The European Parliament calls on the Council to agree an EU target for minimum wages to provide for remuneration of at least 60% of the relevant average wage. Moreover, the Council should agree a timetable for achieving that target in all Member States and for combating in-work poverty; special attention should be paid to part-time employment for women which often requires unsocial hours, is poorly paid and has insufficient social protection. The European Parliament also considers that 'make work pay' policies should address the problem of the low-pay trap and the low-pay/no-pay cycle at the lower end of the labour market, by incorporating the concept of flexicurity.

Active inclusion of people excluded from labour market

The European Commission Communication *Recommendation on the active inclusion of people excluded from the labour market* (COM(2008) 639 final), presented on 3 October 2008, proposes a holistic approach: involving all actors concerned in policies relying on better indicators and monitoring and evaluation procedures will produce the best results. Minimum income schemes have had a positive effect on reducing poverty but should be consistent with an incentive to work. Furthermore, they need to be integrated into a wider strategy, ensuring that beneficiaries have access to training and job support and to enabling social support.

Work still does not always pay and, when they lack basic learning capacities or suffer from long periods of unemployment, those people most excluded from work need more personalised pathways to employment. Moreover, once they are in employment, they are still in a vulnerable position in the absence of a supportive environment. Implementation of active inclusion policies needs to be properly coordinated and monitored at national and EU levels, as the Social Protection Committee currently does.

On 27 January 2009, the European Parliament Committee on Employment and Social Affairs published a draft report in response to the Commission recommendation. It points out that any active inclusion strategy has to be built on three pillars: individual rights, respect for human dignity and the principles of non-discrimination and gender equality; the promotion of labour market integration combined with full participation in society; and the realisation of the principles of quality, adequacy and accessibility across all three. The committee calls for a directive on an unconditional individualised right to adequate minimum income unrelated to employment, to be adopted in 2010 during the European Year for Combating Poverty and Social Exclusion. The directive should include a roadmap specifying time lines and qualitative and quantitative income targets.

In its position paper on 1 December, BusinessEurope welcomed the Commission recommendation. The employer organisation remarked however that the notion of 'quality jobs' at EU level should be

used carefully, respecting the subsidiarity principle and differences in Member States' legislation on working conditions, health and safety, and non-discrimination.

Eradicating poverty

The European Parliament and Council decision of 16 October 2008 declaring 2010 as the European Year for Combating Poverty and Social Exclusion highlights the need for multidimensional policies as well as the further development of relevant indicators. Quality employment and social and economic support are essential for lifting individuals out of poverty since in-work poverty is linked to low pay, the gender pay gap and low skills. Selective access to lifelong learning creates new gaps in society in employment, personal development and active citizenship, thus giving rise to various forms of discrimination.

Joint report on social protection and social inclusion

The European Commission Communication *Proposal for the Joint Report on social protection and social inclusion 2008* (COM(2008) 42 final) was presented on 30 January 2008 and jointly adopted on 29 February 2008 by EPSCO and the Commission. It outlines that, in order to work longer, an individual must be in good health; therefore, the working conditions of older employees, health and safety at work, possibilities for lifelong learning and shorter working hours are all important aspects. Flexible working is not suitable for all professions, particularly for hard manual jobs; however, retraining may provide opportunities for prolonging working life.

Financial incentives may play an important role in the decision to keep working beyond the statutory retirement age. However, as concluded in a peer review on active ageing in Helsinki in November 2007, non-material incentives – physical and mental well-being at work, aided by such factors as a pleasant environment and a favourable attitude towards older workers – are often perceived as more important than the size of salary.

The report *Building a stronger EU social inclusion process*, published in May 2008 by the Peer Review in Social Protection and Social Inclusion and Assessment in Social Inclusion, highlights that the Open Method of Coordination in the field of social protection and inclusion contributes to keeping poverty and social exclusion on the EU agenda. It also helps to develop a common understanding of concepts and to identify and agree on key priorities at Member State level. However, it is limited to a narrow band of actors in most Member States and has a low status in relation to the Lisbon agenda on growth and jobs, as well as several weaknesses in its implementation.

The European Commission staff working document *Monitoring progress towards the objectives of the European Strategy for Social Protection and Social Inclusion*, published on 6 October 2008, reveals that in 2006, 8% of EU25 citizens in employment aged 18 years and over were below the poverty threshold. This proportion ranged from 4% or less in Belgium, the Czech Republic, Denmark, Finland and the Netherlands to 13% in Poland and 14% in Greece. In-work poverty is linked to low pay, low skills, precarious employment and often involuntary part-time work.

Mutual information system on social protection

The reports *MISSOC 2007* and *MISSOC Analysis 2008* on the Mutual Information System on Social Protection (MISSOC) were published in June 2008. The analysis report provides an analytical

overview of significant developments in social protection and their relation to legislative changes over time according to the flexicurity framework. It points out that social protection reforms should avoid trap effects, while at the same time improving the adequacy of social benefits and ensuring better access to social services.

Official statistics and trends

On 8 May 2008, Eurostat published a study on *Social protection in the European Union*, describing and analysing the expenditure and receipts of social protection in different European countries in 2005. The analysis highlights large disparities across the Member States.

On 22 May 2008, Eurostat published the report, *The social situation in the European Union 2007*, based on the EU statistics on income and living conditions (EU-SILC). It focuses on issues relevant to the 2007 European Year of Equal Opportunities for All, such as income inequality, groups at risk of poverty and the transmission of social disadvantages from one generation to the next. The report also examines poverty risks among children from a migration background and ethnic minorities.

According to the report, *The labour market situation of people with disabilities in EU25*, published on 19 November 2008, only a modest proportion of people with disabilities are employed. However, their number in mainstream employment has increased, while the level of sheltered employment varies among the Member States, depending on national policies. In most of the countries, those with a relatively moderate and minor degree of disability are normally working in standard employment.

Modernisation of social security systems

Framework for open coordination of social protection and inclusion

Following a draft report by the European Parliament Committee on Employment and Social Affairs on 12 April 2008, the European Parliament issued a resolution on 9 July 2008 on the proposal for a regulation amending Regulation (EC) No. 883/2004 on the coordination of social security systems. The resolution introduces several amendments on the medical treatment for family members in the country of employment of the insured person after his or her retirement, as well as in relation to the applicable legislation on insurance contributions, insurance cover, risk materialisation, benefit calculation and unemployment benefits provision.

On 14 October 2008, the European Commission presented an amended proposal acknowledging the merging of the two original proposals into a single text, and generally accepting the European Parliament amendments; most of them were accepted by the 4 December 2008 Council common position, although not unanimously. On 7 January 2009, the Commission accepted the compromise in a communication (COM(2008) 897 final) because it represents real progress for the family members of frontier workers.

On 23 January 2009, the draft recommendation of the European Parliament Committee on Employment and Social Affairs proposed to approve the common position, while amending the restriction of rights to benefits in kind for members of the family of frontier workers. It also proposed a review of the related Annex III no later than five years from the date of entry into force of the regulation.

Private pensions

The Social Protection Committee report on private pensions, published by the European Commission on 20 October 2008, confirms the trend towards more private pension provision in the EU. However, it highlights the need for inclusive coverage and adequate pension levels, as private pensions replace the public schemes to varying extent – in some cases substantially. The main issues at stake are:

- the role that private schemes play in the overall pension system;
- the extent of charges, which could significantly reduce pension levels;
- fluctuations over time in the rate of return, requiring well-functioning financial supervisory bodies and effective regulatory frameworks, as well as guaranteed minimum returns;
- the need for higher levels of financial education.

Flexicurity and corporate social responsibility

3

European Employment Strategy

In its opinion on flexicurity in March 2008, CEEP gave strong support to the European Commission's Communication, *Towards common principles of flexicurity: More and better jobs through flexibility and security* (COM(2007) 359 final). CEEP pointed out that the implementation of flexicurity strategies should be discussed between governments and social partners as part of the drafting of National Reform Programmes in the wider context of the Lisbon Strategy.

On 13 February 2008, the EESC opinion on the proposal for a Council decision on guidelines for the employment policies of the Member States welcomed the new integrated approach and multiannual cycle and involvement of all relevant social partners in every phase of the process. The EESC reiterates the need for more ambitious, effective and measurable targets, timescales, cost and budget provision, and a stronger emphasis on the inclusion of people with special needs, with specific targets and greater recognition of social policy requirements. On 22 April 2008, the EESC opinion on the European Commission's flexicurity communication highlighted that flexicurity cannot be viewed separately from the challenges facing the EU; it argued that new risks should be taken into account and that transitions should be rewarded.

The Commission considers it essential to integrate the common principles of flexicurity into a national framework; this was highlighted during a seminar on the development of national flexicurity policies in response to labour market challenges, hosted in Brussels in September 2008. On 8 February 2008, the Commission and the European social partners set up a 'Mission for flexicurity' in order to ensure the full integration of the common principles in Community processes and to promote the practical implementation of the principles in the different national contexts, involving Member States, stakeholders and social partners. These objectives are to be achieved within a mutual learning exercise according to a twofold mandate:

- to assist Member States in promoting the common principles of flexicurity at national and sub-national level, in cooperation with all relevant stakeholders;
- to consider ways to facilitate the integration of flexicurity in the processes and tools of the 2008–2010 cycle of the Lisbon Strategy and European Employment Strategy, and particularly in the implementation of the integrated guidelines for growth and jobs (press release, 19 May 2008).

On 19 May 2008, the European Commission launched its mission for flexicurity, reaching out to promote a flexicurity approach at national level.

The *Report of the mission for flexicurity*, presented in Brussels at the Council of 12 December 2008, summarises flexicurity policies at national level in five Member States: Finland, France, Poland, Spain and Sweden. It emphasises the need to adopt flexicurity as a response strategy to the economic crisis in the short term and to ensure a long-term adaptation to transformations in the labour market, such as globalisation, rapid technological progress and the ageing of the population. The mission also considered the Commission's expert report and the opinion of the European Public Employment Services on flexicurity. It highlighted three general lessons on the implementation of flexicurity:

- the potential contribution of flexicurity in promoting growth and employment in more difficult economic conditions and the major role played by ALMP in facilitating occupational transitions

to prevent a rise in unemployment;

- the determining role of the social partners in creating a consensus on establishing flexicurity measures at national level;
- the need to strengthen the effectiveness of a flexicurity strategy through closer analysis of the development of skill requirements in the labour market with in-depth dialogue between the economic players, the social partners and other public sector and private sector actors. As underlined by the ‘New skills for new jobs’ initiative launched by the Commission, this type of exercise should help to reduce imbalances between skill supply and demand.

Corporate social responsibility

On 4 March 2008, the European Alliance for CSR published its progress review 2007, summarising its activities in raising awareness and exchanging good practice on CSR between companies and their stakeholders, such as policymakers, consumers, investors, trade unions, NGOs and investors. It shows an increase in the number of solutions related to mainstreaming CSR and equal opportunities, including a compendium of good practices in SMEs. A total of 20 laboratories were launched in 2007 aiming to develop guidelines, toolkits and training modules, as well as to exchange good practices and draw practical recommendations in relevant subject areas. These included the recruitment and ethical management of foreign workers – addressing the issue of workers’ immigration according to a multi-stakeholder approach – skills for employability and skills for employability enhanced through community engagement in order to foster opportunities for people ‘at risk’, with a special focus on IT skills. Further topics included demographic change, mainstreaming diversity in the company, equality between men and women and employment of people with disabilities. The laboratory well-being in the workplace aims to mainstream and coordinate policy initiatives, also relying on the European Pact for Mental Health and Well-being. Furthermore, the Alliance promoted multidisciplinary research and education on CSR, meetings with business leaders and European commissioners, and stakeholder engagement in CSR policies.

The report *Interaction between local employment development and CSR*, carried out on behalf of the European Commission and published in January 2009, observes that European companies are well aware of their social responsibility. It finds differences between large enterprises, which often strategically plan and implement CSR, and smaller businesses. The main initiatives address a wide spectrum of target groups, promoting labour market integration – with a focus on diversity management and equal opportunities – as well as the revitalisation of local areas.

Published on 21 July 2008, a *Study on the incorporation of social considerations in public procurement in the EU*, carried out on behalf of the European Commission, aims to help the Commission to compile a publication in the future to enable public authorities to develop a socially responsible purchasing policy (SRPP). Public authorities are the major consumers in the EU and the study envisages an organisational strategy to ‘buy social’, developing the social and human rights dimension of the EU. SRPP refers to procurement operations that:

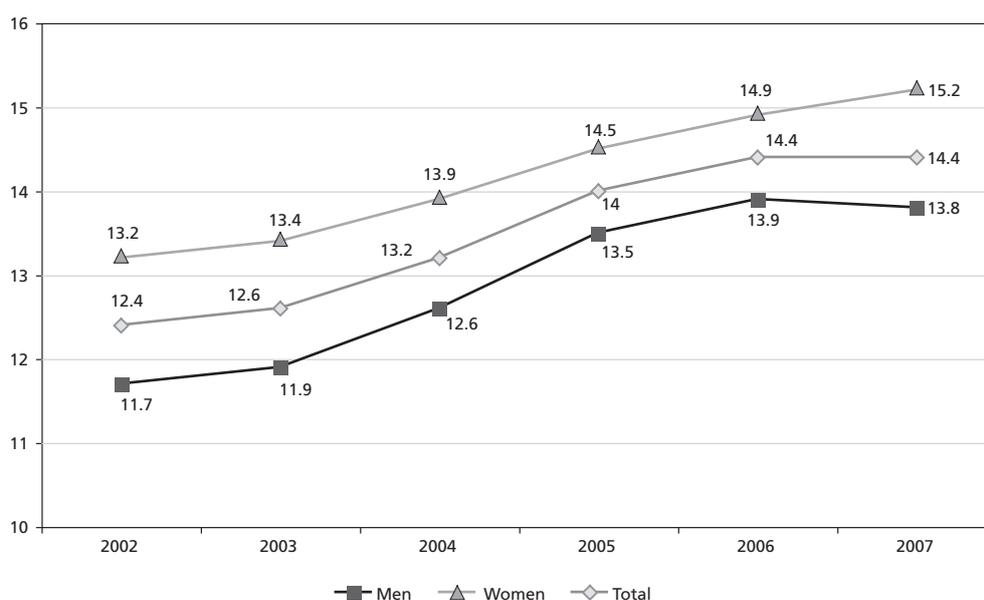
- take into consideration the promotion of employment opportunities;
- incorporate safeguards with respect to the standards of working conditions, including decent work;

- strive to support social inclusion, including persons with disabilities, the social economy and SMEs;
- promote equal opportunities and ‘accessibility and design for all’;
- take into account fair and ethical trade issues, as well as human and labour rights;
- seek to achieve wider voluntary adherence to CSR while observing the principles of the EU treaty and EU public procurement directives.

Official trends and statistics

The proportion of non-permanent employees, that is, with temporary employment contracts, in the EU in 2007 was 14.4% of total employment, the same as in 2006 and maintaining a two percentage point increase on 2002 (Figure 12). However, while the share slightly declined among men (from 13.9% to 13.8%), it further increased among women, reaching a proportion of 15.2% of all female employees.

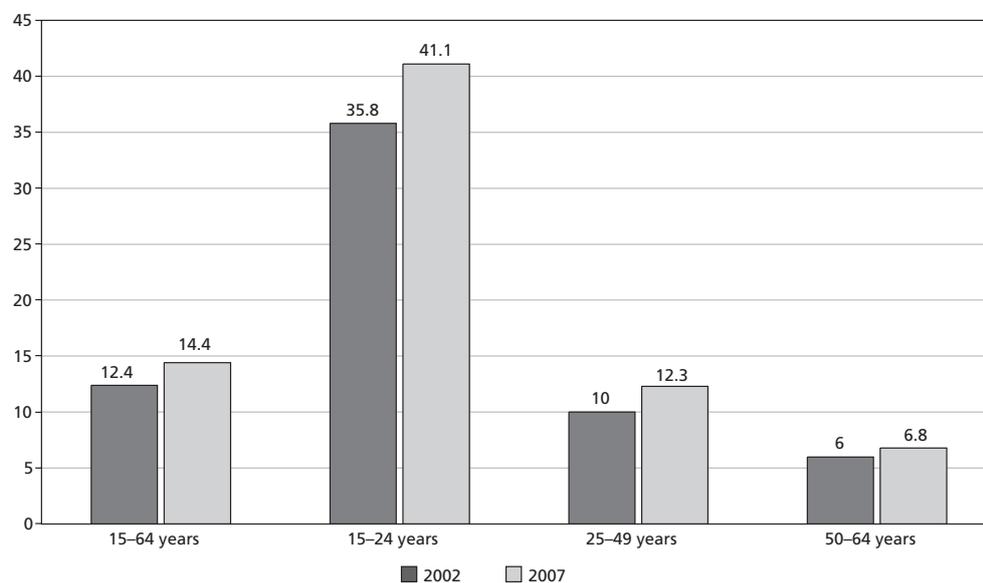
Figure 12 Employees with temporary contracts, by gender, EU27, 2002–2007
(% of total employment)



Source: Eurostat, 2009

The proportion of temporary employment contracts increased across all age groups over the period 2002–2007 (Figure 13). It is higher among young workers aged 15–24 years (41.1%), who also show the greatest increase (+5.3 percentage points), and declines in the following age groups. It increased least in the 50–64 years age group during the five-year period (+0.8 percentage points).

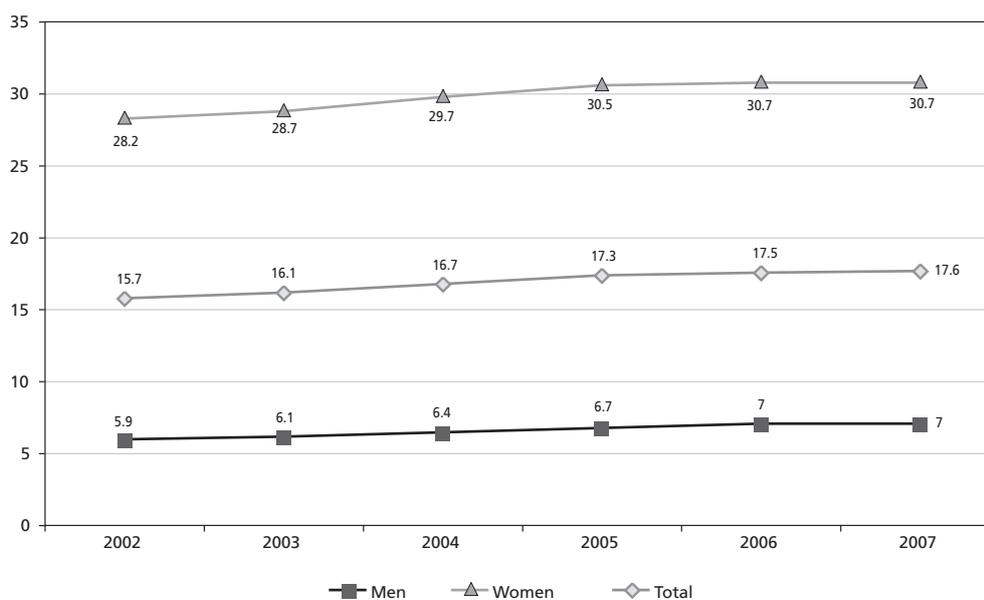
Figure 13 Employees with temporary contracts, by age, EU27, 2002–2007 (% of total employment)



Source: Eurostat, 2009

The proportion of employees working part time in 2007 was 17.6% of all employees, with minimal variation on 2006 both at aggregate level and according to gender (Figure 14).

Figure 14 Employees working part time, by gender, 2002–2007 (%)



Source: Eurostat, 2009

Published on 10 June 2008, the Eurofound report *Employment security and employability: A contribution to the flexicurity debate* proposes a set of four new indicators: objective job insecurity, subjective job insecurity, employability and vulnerability. It also measures how these indicators are linked to each other at individual level, as well as how they are linked to institutional factors at national level; it finds a notable variability across countries in terms of legal, institutional and political frameworks, as well as the role of trust. It calls on Member States to address different problems associated with these factors.

In July 2008, the European Trade Union Institute for Research, Education and Health and Safety (ETUI-REHS) working paper *Between innovation and ambiguity – the role of flexicurity in labour market analysis and policy making* acknowledges that flexicurity has contributed a number of innovative elements to the debate, in particular by promoting a more holistic approach. However, flexicurity appears ill-defined and highly ambiguous concerning its role in informing policy and is vulnerable to the risk of turning into a ‘catch-all’ concept.

Published on 8 October 2008, the Eurofound report, *Flexibility and security over the life course: Key findings and policy messages*, outlines the lack of a coherent life-course approach to social security across Member States in facing new risks and new tendencies of exclusion. When the state only concentrates on organising a scheme that allows people to save time and money for all kinds of needs during their individual life course without any differentiation concerning their reasons, the possibility of a further individualisation of risk coverage arises, thus leaving people with less capabilities to deal with them largely or partly uncovered. Furthermore, companies are becoming increasingly important as actors on the work–life balance stage in offering flexible time options to meet changing needs over the life course; such arrangements can be encouraged by the state. However, the working culture within the company appears to be more important than specific company-level provisions in developing such policies.

Lifelong learning

Common European area of knowledge

As requested by the European Council Resolution of 15 November 2007, the Communication *New skills for new jobs* (COM(2008) 868 final) presents a first assessment of the EU’s future skills and jobs requirements up to 2020. On 16 December 2008, the European Commission published its proposal for better matching and anticipating labour market needs, accompanied by a staff working document, outlining more effective ways to analyse and predict which skills will be needed in tomorrow’s labour market. In order to put Europe on the road to recovery after the severity of the economic crisis, it is essential to enhance human capital and employability by upgrading skills and ensuring a better match between the supply of skills and labour market demand (press release, 16 December 2008). Four strands are devised:

- to improve the monitoring of short-term trends in the European labour market, develop several tools and services to promote job guidance and mobility, and address skills mismatches;
- to develop better information on skills needs in the EU in the medium and long term, with regularly updated projections of future labour market trends and a sectoral analysis of skills needs;

- to improve understanding of global challenges related to skills and jobs through cooperation with third countries – notably the US, China, Canada and India – and international organisations, such as the Organisation for Economic Co-operation and Development (OECD) and the ILO;
- to help Member States, regions and others involved in skill upgrading and matching, by mobilising existing Community policies and funds in line with these objectives.

Such measures will complement the *European Economic Recovery Plan* (COM(2008) 800 final), which was published by the European Commission on 26 November 2008 (press release).

BusinessEurope supports the initiative as it emphasises the need to upgrade skills and to better match skills and labour market needs. UEAPME welcomes the new initiative overall in its position paper. However, it had some questions about the limits and clear added value of a European instrument in this field, pointing out that training systems should respond to changing economic needs as quickly as possible. These needs differ according to the sector, and at national or even regional level; thus, a European instrument faces certain intrinsic limitations. In its opinion, CEEP supports the different initiatives launched by the Commission in this regard, from information exchange on the short-term evolution of skills and employment, to the reinforcement of anticipation tools for the medium and long term, as well as international cooperation.

An ETUC resolution identifies five key priorities in lifelong learning and vocational training:

- equal access to training for all those who must develop their skills and aptitudes;
- recognition and validation of aptitudes and skills irrespective of how they were acquired and their recognition in the company;
- the financing of training and employers' responsibility in this area;
- the anticipation of future skills needs;
- the participation of the social partners in vocational training and lifelong learning.

To support the European Commission, the European Centre for the Development of Vocational Training (Centre Européen pour le Développement de la Formation Professionnelle, Cedefop) reviewed its earlier medium-term forecast of occupational skills needs for 2006–2015. *Skill needs in Europe: Focus on 2020*, published in February 2008, predicts that, by 2020, almost three quarters of jobs in the EU25 will be in services. Many jobs will be created in high-skilled occupations, but also in elementary occupations. More jobs will require high and medium educational levels from the working population. Transversal and generic skills will be increasingly valued in the labour market, such as problem-solving and analytical skills, self-management and communication skills, the ability to work in a team, linguistic skills and digital competences.

The 9 June EPSCO conclusions emphasised the need to give special attention to youth employment and to the different transitions in the labour market, in particular those between education and training and the labour market.

E-skills

On 23 January 2008, the European Commission and the European Information and Communication Technologies and Consumer Electronics Association (EICTA, now known as DigitalEurope) organised the first European e-skills event – a conference entitled ‘Moving forward and implementing a long-term e-skills agenda in Europe’. This followed the 2007 Commission Communication *E-skills for the 21st century: Fostering competitiveness, growth and jobs* (COM(2007) 496 final), which set a long-term e-skills agenda and a set of action lines at EU level. The aim of the conference was to facilitate the definition of long-term e-skills strategies in the Member States, to determine flagship projects and to exchange best practice.

On 9–10 October 2008, in Thessaloniki, Greece, the European Commission and Cedefop, in partnership with the e-Skills Industry Leadership Board, organised the European e-Skills 2008 Conference: ‘Implementing a long-term e-skills strategy in Europe’, bringing together experts from governments, the ICT industry, the social partners, academia and other stakeholders to discuss best practices and flagship projects and to report on progress. The conference was an important step towards the implementation of a long-term e-skills strategy that is resilient to change and turbulence in the global economy and that meets the needs of the EU population.

The October conference acknowledged the important steps taken at European level to encourage the rapid dissemination of good practices. The conclusions, *Good progress on the implementation of the EU e-skills strategy*, reported that employers can now specify their staffing requirements more easily because of the availability of a European e-Competence Framework, developed in the context of the CEN workshop on ICT skills organised by the European Committee for Standardisation (Comité européen de normalisation, CEN). Furthermore, jobseekers and their advisers are being helped by the launch of a European e-Skills and Careers portal, and the success of multi-stakeholder partnerships seems set to extend to organisations of all sizes, including SMEs.

On 19 May 2008, the European Commission launched the first European e-Inclusion Awards, which aim to celebrate the best and most imaginative uses of information and communication technology (ICT) to reduce digital and social exclusion. In addition, a campaign ‘e-Inclusion: Be part of it!’ aims to enable people to fully participate in the information society, regardless of individual or social disadvantages.

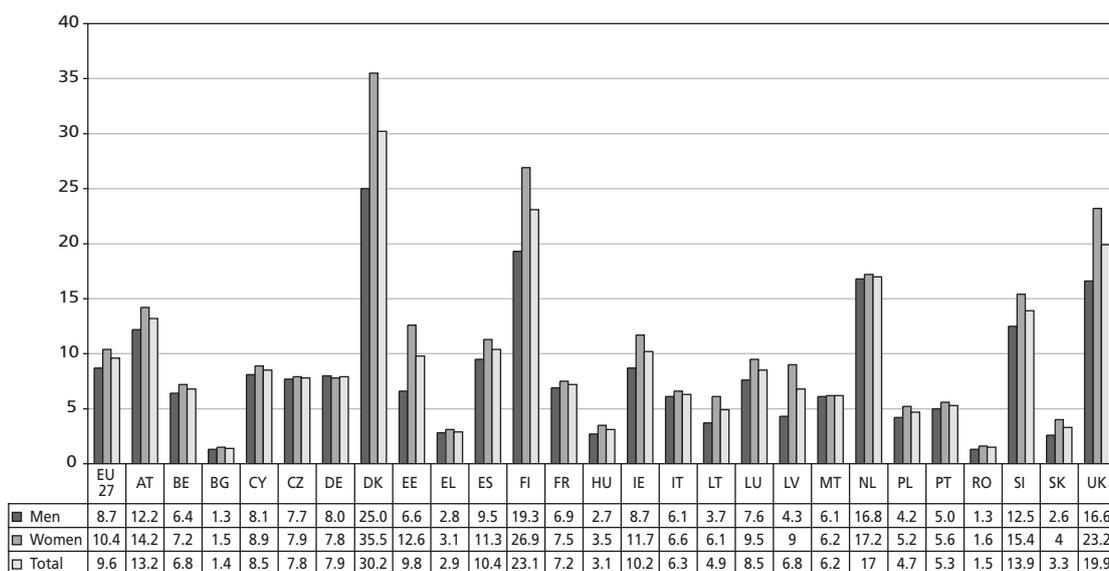
On 1 December 2008, the Commission Communication, *Towards an accessible information society* (COM(2008) 804 final), was accompanied by a staff working document on e-accessibility (SEC(2008) 2916) and a report from the online public consultation (SEC(2008) 2915). The communication makes suggestions for improving web accessibility in particular and e-accessibility in general, notably to:

- pursue and make full use of instruments at European level in favour of people with disabilities and for elderly persons, as well as the possibilities of current and proposed legislation;
- reinforce cooperation with Member States and other stakeholders towards a common European approach for e-accessibility, including through a new EU high-level e-accessibility expert group to provide strategic guidance.

Official statistics and trends

The participation rate in lifelong learning activities was 9.6% in 2007, still below the Lisbon target of 12.5% (Figure 15). Denmark (30.2%) and Finland (23.1%) show the highest participation rates, while Bulgaria (1.4%), Romania (1.5%) and Greece (2.9%) report the lowest rates in this regard. Women participate in lifelong learning more than men both at EU level (10.4% and 8.7% respectively) and in most countries, with the exception of Germany (8% in the case of men compared with 7.8% for women); Bulgaria and Greece show minimal gaps in favour of women's participation.

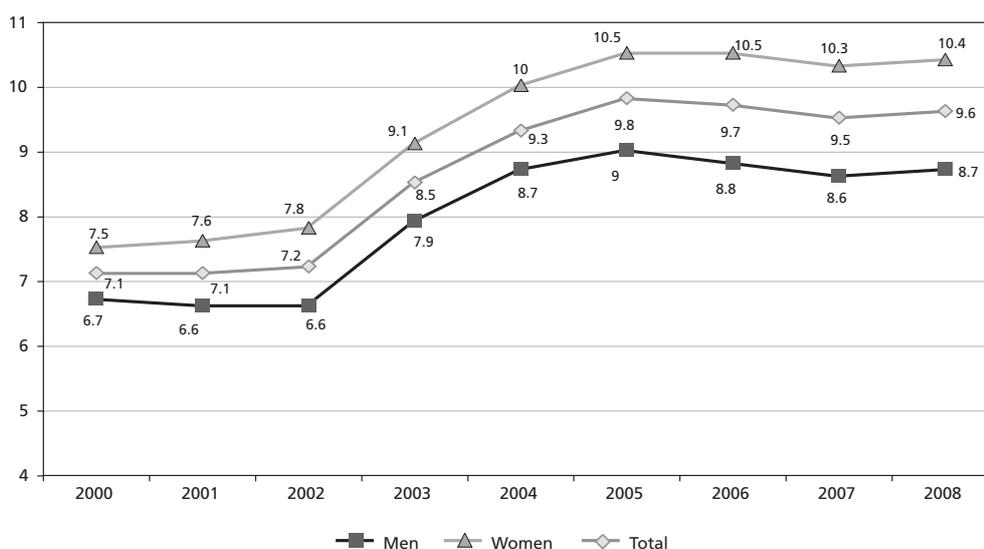
Figure 15 Participation in lifelong learning, by country and gender, 2008 (%)



Notes: No data for SE. Data for CZ, EE, IE and PT provisional.

Source: Eurostat, 2009

Figure 16 Participation in lifelong learning, EU27, 2000–2008 (%)



Notes: Data for 2000 and 2001 are estimates. In 2003, there was a break in the series. Data for 2008 are provisional.

Source: Eurostat, 2009

During the 2000s, the participation rate in lifelong learning significantly increased between 2002 and 2005, reaching a proportion of 9.8%; since then it fluctuates just below the 2005 rate (Figure 16). Women consistently participate in lifelong learning more than men do over the whole period, without a significant change in the gender gap.

Published on 7 November 2008, the Eurofound report, *Who needs up-skilling? Low-skilled and low-qualified workers in the European Union*, highlights that low-skilled workers are often less qualified, are concentrated in low-income categories and face a high risk of losing their job. Furthermore, according to the fourth EWCS, they report more physically demanding work and fewer cognitive demands, with poor autonomy at work. Training is a crucial aspect in the labour market situation of low-skilled workers: when they are equipped with adequate training and up-skilling programmes, they show greater internal flexibility, thus offering the untapped potential to address skills gaps and labour shortages in particular economic sectors. This can be achieved by allowing the workers to recognise their skills developed in non-formal settings. The challenge lies in encouraging low-skilled workers to participate in training and to appreciate the longer-term benefits that it brings, which necessitates the greater involvement of all stakeholders.

Undeclared work

Following the 2007 European Commission Communication *Stepping up the fight against undeclared work* (COM(2007) 628 final), on 9 October 2008 a European Parliament resolution considered that action to combat undeclared work should be incorporated into the economic and employment policies of the Lisbon Strategy. More precise studies are needed to analyse the decisive macroeconomic factors involved and the relationship between markets, production models and widespread undeclared work. Further research should investigate its observed link with health and safety at work, with the aim of promoting risk prevention and a culture of health and safety in the workplace.

The European Parliament calls on the Commission to propose a set of generally accepted methods of measuring undeclared work based on data according to gender and economic sector. Action in this area requires a proactive comprehensive approach by involving all stakeholders in order to ensure improved job quality in accordance with the decent work objective. Such an approach also includes the safeguarding and promotion of the rights of migrant workers – whether legal or illegal – as well as tax and social security system reforms aiming to reduce the burden of taxation on the workforce. The European Parliament asks Member States to consider improving incentives for regular work.

Furthermore, the European Parliament calls on the Member States, social partners and other key actors in the labour market to encourage CSR and other approaches in order to combat undeclared employment. In addition, contractors should be held co-responsible for any contributory irregularities on the part of subcontractors to which they are linked with a direct subcontracting agreement.

Official trends and statistics

According to the Eurofound report, *Tackling undeclared work in the European Union*, published on 12 March 2008, EU countries currently remain heavily embedded in a ‘deterrence approach’, based on detection and penalties. However, there has also been a notable increase in the use of more enabling approaches and measures, particularly prevention measures. At the moment, it is difficult

to determine what is effective and what is not, as no knowledge bank is available to identify what has been tried and tested elsewhere, to assess the relative effectiveness of different approaches and measures, and to evaluate their transferability across countries, sectors and occupations.

Impact of new technologies

A report on the impact of new technologies, funded by the European Parliament and published on 14 March 2008, analyses the interactions between new technologies and the job market, flexicurity and training. IT has played a central role in work pattern and organisation changes in the last decades. It has helped to foster processes of codification, standardisation and also fragmentation, with a related decrease in transaction costs. Related to this process is the diversification of products and services, implying the multiplication of tasks and skills all over the world, with increasingly complex job profiles. A gap has emerged between the introduction of new technologies, especially IT, and the need for training in a changing working environment. This gap can be bridged by empowering men and women in the different labour markets, as well as through institutional security and the avoidance of social exclusion – as the flexicurity concept does.

Increasing knowledge in production and working processes did not lead to ‘symbolic’ or knowledge-based work becoming more important in production processes than working with physical materials. A greater organisational and geographical disconnection between information and data from substantial and energetic processes has tended to favour outsourcing and relocation.

Further technological changes with some notable effects on labour markets and working structures are expected from synergies between IT, biotechnology and nanotechnology. However, the immediate effects of possible technological innovations on labour markets cannot be identified since the increased importance of the services sector shows dualistic features, with the emergence of both high-skilled and low-skilled jobs.

The Eurofound report, *Use of technology and working conditions in the European Union*, published on 23 December 2008, examines trends in the use of technology in different economic sectors and countries. It investigates the ways in which technology use and work organisation are related to working conditions and to workers’ health and well-being by using data from the fourth EWCS. A total of four different categories of technology used in workplaces are clustered according to the technologies used – machinery, computer, both and neither – showing a machine–computer divide. For each, the impact on health, quality of work and skill needs is mapped. The report makes several recommendations: in particular, the increased use of technology must be accompanied by policy changes promoting the introduction of innovation in bundles, by adapting work organisation according to more flexible patterns.

Working time directive

On 9 June 2008, EPSCO reached a political agreement by qualified majority on a common position regarding the proposed directive amending Directive 2003/88/EC concerning certain aspects of the organisation of working time. The common position was adopted on 15 September 2008.

The most controversial issues were the:

- derogations to the reference period in calculating the maximum weekly working time;
- ‘opt-out provision’ allowing companies to extend the maximum 48-hour limit if the worker agrees;
- definitions of ‘on-call time’ and its ‘inactive part’, following ECJ case law, in particular the rulings in the *Simap* (C-303/98) and *Jaeger* (C-151/02) cases.

In line with the European Commission’s original proposal, the common position considers that the inactive part of on-call time at the workplace is not working time but that it should not be taken into account in calculating the daily and weekly rest periods, unless national legislation or social partners decide otherwise. Furthermore, it gives a one-year reference period for calculating the maximum weekly working time, thus allowing companies to manage fluctuations in demand.

The opt-out provision is only valid if the worker has agreed prior to performing such work and for a period not exceeding one year, which is renewable, within a legal limit of 60 hours a week, calculated as an average over a period of three months. This limit increases to 65 hours in the absence of a collective agreement and when the inactive part of on-call time is regarded as working time. Social partners must be involved in any decision by a Member State about the opt-out clauses.

The opt-out is allowed during the first four weeks of a short-term employment relationship and the legal hours limits would not apply. However, a worker may not be asked to agree to work in the framework of the opt-out when signing the employment contract. Member States may allow a reference period not exceeding six months for objective or technical reasons, or concerning the organisation of work.

The European Commission will submit a report no later than four years after the entry into force of the directive, accompanied if necessary by appropriate proposals to reduce excessive working hours, including the use of the opt-out, taking into account its impact on the health and safety of the workers covered by this option. The Council will then evaluate this report to assess whether further action is required.

Reaction to common position

In an information leaflet on 6 June 2008, ETUC rejected the common position achieved by EPSCO as fundamentally unbalanced and harmful, since it would fall short of protecting workers against the health and safety hazards of long working hours. Moreover, it does not provide for any proper balance between flexibility and security, and will create incentives for avoiding and evading collectively agreed solutions to meet the flexibility needs of companies. Therefore, it would introduce a regression in the level of protection provided, which is incompatible with the European treaties.

In its May–June newsletter, CEC did not approve the EPSCO agreement. Its President, Georges Liarokapis, declared:

Long hours' culture does not boost productivity and certainly does not encourage women's access to a management position. Working time should be organised in a way that protects the health and safety of workers and allows the reconciliation of the family and professional life.

On the other hand, UEAPME expressed its satisfaction with the Council agreement since it responds to the flexibility needs of craft enterprises and SMEs, which increasingly tend to operate on the basis of an annual working plan (press release, 10 June 2008). The agreement would also accommodate seasonal productivity fluctuations, which are associated with several important economic sectors.

BusinessEurope, UEAPME, CEEP and the Association of European Chambers of Commerce and Industry (Eurochambres) prepared a joint letter to Members of the European Parliament ahead of their plenary vote on 17 December. It noted that, according to the EWCS, 87% of workers considered the option of 'working more or less hours if needed' an important factor in determining their satisfaction with work. In their view, the opt-out clause will simply deal with temporary fluctuations in demand, and delaying a decision on working time in the current economic climate would be damaging to both employers and workers.

Rejection of common position

On 17 December 2008, the European Parliament position shared the 5 November decision of the Committee on Employment and Social Affairs, amending the Council common position. The Committee decision had stated that:

- all on-call time should be regarded as working time, leaving social partners to agree specific calculations of its inactive part in order to comply with the maximum weekly average working time, with a reference period not exceeding 12 months;
- working time should be calculated per person and not per contract, as people may have more than one employment contract;
- employers should inform workers well in advance of any change in the pattern of working time;
- workers have the right to request changes to their hours and patterns, which may be refused only if the organisational disadvantages for the employer are disproportionately greater than the benefit to the worker;
- derogations should be limited to safeguard its health and safety principles.

Finally, the committee considered the 60-hour or 65-hour working week as too long and deleted this provision. Thus, the European Parliament restated its first reading position, requiring the above amendments.

BusinessEurope deplores the outcome of the European Parliament vote and expresses its concern about the decision to remove the opt-out provision, considered 'an important tool for companies in dealing with fluctuations in demand' (press release, 17 December 2008). Moreover, classifying all on-

call time as working time will have a negative effect on the private sector and hamper the effective provision of public services across the EU, particularly in the healthcare sector.

In its 17 December press release, UEAPME states that it is disappointed by the European Parliament vote since it 'seriously jeopardises the possibility of ever reaching an agreement on such a crucial dossier' and will leave workers and employers worse off compared with the rejected Council compromise.

CEEP was surprised by the decision of the Committee on Employment and Social Affairs since it paved the way for the failure of the difficult compromise reached by the Council in June, which safeguarded the flexibility of 24-hour public services, while at the same time protecting workers from possible abuse (press release, 5 November 2008).

Case law

On 20 January 2009, the ECJ ruled jointly on the cases Schultz-Hoff and Stringer (Joined Cases C-350/06 and C-520/06), by stating that workers do not lose their right to take paid annual leave just because they have been on long-term sickness absence. When a worker has been on sick leave for the whole or part of the leave year and/or of a carry-over period, thus precluding them from exercising their right to paid annual leave, this right is not extinguished at the end of that year and, on termination of the employment relationship, an allowance in lieu of paid annual leave must be paid.

On 15 April 2008, the ECJ passed judgement on the case that the Irish Municipal Public and Civil Trade Union (IMPACT) had taken against six Irish government ministers, and in particular the Minister of Agriculture and Food (C-268/06, EU0805019I). The trade union claim against the agriculture minister was taken on behalf of 91 members working in that government department who were holding fixed-term employment contracts renewed before the 2003 implementation of Directive 1999/70/EC concerning the framework agreement on fixed-term work concluded by ETUC, UNICE (now BusinessEurope) and CEEP. However, their contracts had been renewed after the 10 July 2001 deadline set by the Directive itself. The ECJ noted that an authority of a Member State acting as a public employer may not adopt measures contrary to the objective pursued by that directive as regards prevention of the abusive use of fixed-term contracts, that is, the renewal of such contracts in the period between the deadline for transposing the directive and the date on which the transposing legislation entered into force. ETUC welcomed the ECJ ruling since it 'will help to secure a better protection for fixed-term workers around Europe, which was the aim of our agreement' (press release, 16 April 2008).

Working conditions of temporary agency workers

On 28 May 2008, the European social partners for the temporary agency work sector, Eurociett and UNI-Europa, signed a joint declaration on the draft directive on working conditions for temporary agency workers. They took as a starting point the draft directive on this issue as amended by the European Commission in 2002 (COM(2002) 701 final), following the European Parliament's first reading. Contrary to the December 2007 EPSCO conclusions, the social partners believe that the issue should be dealt with independently of other European legislative debates.

The social partners agree that temporary agency work plays a positive role in the labour market and contributes to meeting the requirements of the Lisbon Strategy by fulfilling specific needs for both companies and workers. It aims to complement other forms of employment but not to the detriment of workers' rights and working conditions. The Directive should combine an adequate protection of temporary agency workers and of the role that temporary work agencies can play in a well-functioning labour market. Furthermore, it should provide a legal framework for temporary work agencies to prevent unfair competition by securing the equal treatment principle for temporary agency workers and by establishing systems of licensing, including financial guarantees, certification, inspection or registration. These may contribute to the sound development of the sector with regard to basic working and employment conditions. Derogations, such as a qualifying period, should be agreed on by national representative social partners. Finally, the directive must be linked to other existing directives dealing with temporary agency work, such as the Posted Workers Directive.

In its press release of 11 June, BusinessEurope expressed its disappointment that the provisions of the Directive do not sufficiently reinforce Member States' obligation to discard restrictions to temporary work.

On 15 September, the Council's common position with a view to the adoption of a Directive on temporary agency work considered that the principle of equal treatment from day one should be the general rule and any treatment of temporary agency workers differing from that principle should be agreed by the social partners at national level. It rejected the amendment extending the possibility of not applying the directive to employment contracts or relationships concluded under specific training programmes without any public support.

On 22 October, a European Parliament resolution approved the common position, following the 29 September recommendation of the European Parliament Committee on Employment and Social Affairs. The common position incorporates most of the amendments adopted by the European Parliament at first reading, in particular equal treatment – including in relation to pay – compared with the workers of the user undertaking. Any derogation from that principle should be agreed by the social partners. Directive 2008/104/EC on temporary agency work was duly adopted on 19 November 2008.

ETUC was particularly satisfied with the way that the Council solved the issue of equal treatment between temporary agency workers and workers in the user enterprise (press release, 22 October 2009).

Teleworking

Following the 2006 implementation report of the European social partners, in July 2008 the European Commission published a staff working paper on the implementation of the European social partners' framework agreement on telework. The agreement definition comprises all four features proposed by the Commission: work at a distance, use of information technology, regularity and an employment relationship. However, it excludes activities that could not be performed at the employer's premises, such as tasks requiring access to the client's premises. In some Member States, telework is treated as equivalent to homework. The definition excludes self-employed telework, raising the risk that – when agreeing on telework – former employees might be encouraged to become self-employed and

thereby lose their employment rights and protection, as confirmed by the high rate of self-employment among teleworkers in several countries.

Social partners or the public authorities should take measures at national level to prevent any abuse in the use of false self-employment when the factors of dependence and subordination are clearly present. In general, the main provisions and principles of the framework agreement have been incorporated fully into most national implementing measures, with some exceptions (EU0809019I).

Health and safety at work

Community strategy 2007–2012 on health and safety at work

The EESC opinion of 29 May 2008 on the Community strategy 2007–2012 on health and safety at work (COM(2007) 62 final) welcomes the European Commission's goal to reduce the number of work accidents by 25%. It maintains that a comparable target for reducing occupational illnesses should also be set, paying special attention to work-related cancers, according to a specific action plan, with measurable objectives and credible and comparative reporting mechanisms. Working conditions are especially important for health, given that adults spend one third of their lives at the workplace. Hazardous and unhealthy conditions at work cost 3%–5% of gross national product (GNP).

The EESC addresses the need to promote a systematic analysis of causes, as well as specific regulation, policies and support for priority target groups – workers with disabilities, women, older workers, young workers and migrant workers. According to the opinion, it is important to set specific minimum standards concerning the number of labour inspectors in order to implement and monitor the strategy. In addition, a general culture of health should be developed to achieve greater awareness among employees by means of updated and adequate health and safety training in the workplace, especially among management and staff responsible for health and safety.

Health strategy 2008–2013

After the 16 September 2008 report by the Committee on the Environment, Public Health and Food Safety, on 9 October 2008 a European Parliament resolution welcomed the European Commission's White Paper, *Together for health: A strategic approach for the EU 2008–2013*. The European Parliament supports the values, principles, strategic goals and specific actions set out in accordance with the 'health in all policies' approach. It also welcomes the proposal to establish an EU-level structured cooperation mechanism involving closer cooperation with stakeholders, with the participation of civil society and the social partners.

The European Parliament underlines the fact that health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. It urges the Commission to pursue the necessary initiatives previously outlined in its resolution of 15 January on the Community strategy 2007–2012 on health and safety at work, including:

- setting targets for the reduction of occupational illnesses;
- a proposal for a directive on MSD;
- a proposal for a revision of Directive 2004/37/EC on the protection of workers from the risks

related to exposure to carcinogens or mutagens at work;

- measures to address the growing problem of third party violence;
- a proposal amending Directive 2000/54/EC on the protection of workers from risks related to exposure to biological agents at work, with a view to addressing the serious risks to healthcare workers arising from working with needles and medical sharps.

In its 18 September 2008 opinion on the health strategy 2008–2013, the EESC reminds the European Commission of the key role played by health and safety at work and urges that risk prevention and protection be strengthened, with the involvement of the social partners and Member States. The EESC is particularly concerned about the health of ageing healthcare and social care workers, who are threatened by burnout and stress, because of their role in promoting health in the whole of society.

On 10 December 2008, the European Commission published the Green Paper *On the European workforce for health* (COM(2008) 725 final). New technology in diagnosis, risk prevention and treatment, as well as ageing of the population and the healthcare workforce are the main challenges facing health systems in Europe. Responding to these challenges requires efficient and effective health services, thereby containing their costs. The ambitious objectives of the Community strategy 2007–2012 on health and safety at work are strongly dependent on the availability of the necessary specialised health workers, such as occupational health physicians and nurses, and health and safety inspectors.

Healthy workplaces

On 10 October 2008, the European Agency for Safety and Health at Work (EU-OSHA) announced that BusinessEurope would be an official partner in its campaign on risk assessment, a decentralised two-year campaign. It aims to support employers, trade unions, workers, safety representatives, practitioners, preventive services, policymakers and other stakeholders in combating workplace risks through risk assessment. BusinessEurope has the task of raising awareness of the campaign and the issue of risk assessment, and encouraging employers to become involved.

Workplace cancer prevention

On 11 March 2008, the European Men's Health Forum (EMHF) issued 12 recommendations on earlier diagnosis of lung cancer. Among the recommendations were: encouraging companies to uphold health and safety regulations, particularly with regard to migrant workers; recognising and disseminating examples of good practice in workplace health promotion; promoting better education and training for health professionals through the dissemination of best practice; and engaging trade unions in workplace health promotion.

On 10 April 2008, a European Parliament resolution on combating cancer in the enlarged EU noted that, according to a recent trade union study, at least 8% of annual cancer deaths are directly caused by exposure to carcinogens at the workplace. Such exposure could be prevented by substituting the products with less harmful substances; however, provisions obliging employers to substitute carcinogens where possible are poorly implemented and enforced. The European Parliament calls on the European Commission to take legislative action, where appropriate, and to encourage and support initiatives promoting risk prevention with a wide range of stakeholders. In addition, the

Commission should draw up a charter for the protection of cancer patients and chronically sick people in the workplace with a view to requiring companies to enable patients to continue in employment during their treatment and to return to their normal professional activities.

Mental health at work

The EU High-Level Conference ‘Together for mental health and well-being’, which took place on 12–13 June 2008 in Brussels, established the European Pact for Mental Health and Well-being, declaring mental health as a human right. The workplace plays a central role in the social inclusion of people with mental health problems. Policymakers and stakeholders are invited to take action to combat stigmatisation and social exclusion by promoting improved access to appropriate employment, training and educational opportunities, by supporting anti-discrimination campaigns and activities, and by fostering the integration of people with mental disorders at the workplace. They are also invited to provide measures to support the recruitment, retention or rehabilitation and return to work of people with mental health problems or disorders, and to develop flexible retirement schemes allowing older people to remain at work longer on a full-time or part-time basis.

Further measures include improving work organisation, the organisational culture and leadership practices to promote mental well-being at work, including the reconciliation of work and family life, as well as implementing risk assessment and prevention programmes for situations that can cause adverse effects on the mental health of workers. These initiatives would help to tackle the increase in work absenteeism.

The pact is based on the consensus paper *Mental health in workplace settings*, which emphasises the negative impact of mental health problems in terms of premature withdrawal from the labour force and reduced productivity while at work. Reduced productivity also affects the other team members since ill health and sickness absence may lead to an increased workload and work-related stress for colleagues. Practical measures intended to minimise discomfort from physical work factors can help to promote well-being at work. It may also be beneficial to adapt the workplace organisational structure and environment to minimise the risk of undue levels of stress by giving workers more control over their work, supported by better dialogue and cooperation between managers and employees.

Early detection and support for people with stress and/or mental health problems, regardless of the cause, has also been shown to be effective, while return to work plans can be a key element of the recovery process. Improved understanding of mental health issues is critical in companies and among co-workers if efforts to integrate people with mental health problems into the workforce are to be successful.

Mapping the availability of services and professionals to promote mental well-being in the workplace can help in determining whether sufficient services are available to meet needs, especially for SMEs that may not have the resources to provide in-house health promotion programmes. Developing benchmarking for services and approaches across Europe might also be useful – for example, umbrella group initiatives such as the well-being in the workplace laboratory developed by the European Alliance for CSR.

Following the 28 January 2009 non-legislative report by its Committee on the Environment, Public Health and Food Safety, the European Parliament welcomes the European Pact for Mental Health and Well-Being and the recognition of mental health and well-being as a basic priority for action. It declares that the workplace plays a central role in the social integration of people with mental health problems, especially the most vulnerable groups. The European Parliament also welcomes the European Commission proposal for a new directive against discrimination and calls for its immediate adoption in order to effectively protect persons with mental health problems from discrimination. Furthermore, businesses and public bodies should be required to publish annually a report on their policy and work in relation to the mental health of their employees in the same way that they report on physical health and safety at work.

The European Parliament calls on the Member States to ensure that people who are entitled to sickness or disability benefits because of mental health problems are not deprived of their right of access to employment. Member States should give people with mental health problems the right to equal, full and appropriate access to education, training and employment, and ensure that they receive adequate support in their integration into the labour market and workplace reintegration.

The European Parliament calls on employers to promote a healthy working climate, paying attention to work-related stress, and tackling the underlying causes at the workplace. It encourages them, as part of their health and safety at work strategies, to adopt programmes to promote the emotional and mental health of their workers and to introduce anti-bullying policies.

Asbestos ban

On 30 October 2008, ETUC issued a press release stating that asbestos should be covered by the Rotterdam Convention. Signed in 1998, this convention requires the exporting country to issue a warning to the importing country before sending a hazardous substance, so that the importing country can decide in full knowledge of the facts whether to accept delivery of the substance in question.

Implementation report on work-related stress

On 15 December 2008, ETUC, BusinessEurope, UEAPME and CEEP presented the implementation report of the framework agreement on work-related stress signed in 2004. The European social partners observed the diverse form and content of the measures taken by their members to implement the agreement. Implementing measures initially focus on fine-tuning existing regulations in line with the European agreement. They then aim to raise awareness of the agreement at national, sectoral and company levels. Finally, the focus is on developing practical measures and tools to help employers, workers and their representatives to tackle work-related stress at the workplace. Transnational dissemination activities took place to allow social partners in different Member States to learn from each other and to exchange experience on how to deal with work-related stress. A considerable part of these activities were realised unilaterally by either side of industry, such as the implementation guide developed by the European Trade Union Committee for Education (ETUCE), the ETUC-affiliated European industry federation for the education sector.

Nanotechnologies

On 7 February 2008, the European Commission issued a recommendation on a code of conduct for responsible nanosciences and nanotechnologies (N&N) research to be conducted in accordance with the precautionary principle. Such research should anticipate potential environmental, health and safety impacts of N&N outcomes and take due precautions, proportionate to the level of protection. It should also ensure openness to all stakeholders, as well as transparency and respect for the legitimate right of access to information, thus guaranteeing a general culture of responsibility. N&N research funding bodies should devote an appropriate part of the research to the development of methods and tools for risk assessment.

In March 2008, the 'Nanosafe2' project published a report on explosivity and flammability of nanopowders, focusing on safety parameters of nanopowders. According to the June 2008 report, *Is it possible to easily measure the engineered nanoparticles at workplaces?*, the detection sensitivity of engineered nanoparticles is hindered by the very high and fluctuating levels of already existing particles. A large variety of equipment can be used to measure the nanoaerosols at workplaces; however, interpretation of the results requires a rigorous analysis to quantify the engineered nanoparticles.

Published on 17 June 2008, the European Commission Communication *Regulatory aspects of nanomaterials* (COM(2008) 366 final) provides a regulatory review of EU legislation on N&N. Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) covers nanomaterials under the 'substance' definition, although no specific provisions explicitly refer to them. Workers' protection comes under the framework Council Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work. The 2008 communication includes workers' protection among those areas requiring research on risk assessment and risk management.

In its resolution adopted on 24–25 June 2008, ETUC welcomes the European Commission's action plan for Europe 2005–2009 on N&N. The plan is based on the precautionary approach put forward in the Commission's 2004 Communication, *Towards a European strategy for nanotechnology* (COM(2004) 338 final), which includes the 'integration of assessment of risk to human health, the environment, consumers and workers at all stages of the life cycle of the technology'. ETUC is convinced of the potential of N&N development and application; however, workers and consumers are being exposed to products containing them without adequate information about the potential risks. ETUC demands full compliance with REACH's 'no data, no market' principle and calls on the European Chemicals Agency (ECHA) to refuse to register chemicals for which manufacturers fail to supply the data required. The trade union confederation also calls on the Commission to amend the REACH regulation in order to extend its coverage to all potentially manufacturable nanomaterials, with different thresholds for their registration. In addition, Council Directive 98/24/EC on the protection of the health and safety of workers from the risks related to chemical agents at work should be amended in order to provide adequate protection to workers exposed to substances for which there are knowledge gaps about their toxicological properties.

ETUC therefore demands that health and safety at work must have priority in any nanomaterials surveillance system by informing workers and their representatives on the nature of the products. It believes that industry voluntary initiatives and responsible codes of practices may serve a useful

purpose pending implementation of the necessary changes to the current legislative framework and/or the introduction if necessary of specific new European legislation to support responsible nanotechnology development.

The European Chemical Industry Council (Conseil européen des fédérations de l'industrie chimique, CEFIC) states in its January 2009 position paper that it is well aware of the concerns over the possible negative impacts of nanotechnologies. Their sustainable development includes a commitment to safety according to rigorous risk management, transparency and a continuous dialogue with society.

Directives on health and safety at work

Needlestick injuries

In its position paper of 19 February 2008, BusinessEurope responded to the European Commission's second-stage consultation of the social partners on protecting EU healthcare workers from blood-borne infections resulting from needlestick injuries. The employer organisation sees no justification for EU-level legislation in this field as it is covered in general by the framework safety and health directive and more specifically by the biological agents at work directive, currently in the implementation phase. Nonetheless, BusinessEurope supports non-legislative action, as a tool for increasing awareness on this issue and assisting with implementation.

Exposure to environmental tobacco smoke at work

On 10 December 2008, the European Commission launched a first-stage consultation of the European social partners on the protection of workers from risks related to exposure to environmental tobacco smoke (ETS) at the workplace. This followed the public consultation on the Commission's Green Paper, *Towards a Europe free from tobacco smoke: Policy options at EU level*, launched on 30 January 2007, the Council public debate in May 2007 and the European Parliament resolution in October 2007 urging Member States to introduce, within two years, unrestricted national smoking bans in all enclosed workplaces. The Commission highlights that cardiovascular risks from exposure to ETS are as high as 80%–90% of those experienced by chronic active smokers. Moreover, according to the results of a 2007 Eurobarometer survey, one in three respondents reports being exposed to tobacco smoke, notwithstanding the limitations introduced by several directives and by national legislation in most countries. In its consultation, the Commission asks social partners whether the legislative framework is adequate, the adverse impact of a lack of comprehensive legislation and what measures would be a more appropriate means of tackling the issue.

Exposure of workers to electromagnetic fields

On 19 February 2008, the European Parliament approved the European Commission's proposal for a directive amending Directive 2004/40/EC on minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic fields). The European Parliament postponed until 30 April 2012 the transposition term in order to take into account new scientific studies on the health impact of exposure to electromagnetic radiation, currently being examined by the International Commission on Non-Ionizing Radiation Protection (ICNIRP) and by the World Health Organization (WHO).

On 12 March 2008, an EESC opinion agreed with the Commission but emphasised that postponing the transposition term will give workers and employers an unclear message about the Commission's

legislative plans. The EESC expects the Commission to take urgent action to mitigate the negative effects of such uncertainty. The final legislative act – Directive 2008/46/EC amending Directive 2004/40/EC on minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic fields) – was signed on 23 April 2008.

Community statistics on public health and health and safety at work

On 9 and 10 June 2008, EPSCO reached political agreement on a proposal for a regulation on Community statistics on public health and health and safety at work; this was ratified by a Council common position on 2 October 2008. The common position accepted most of the European Parliament amendments from its first reading in 2007, emphasising the importance of including gender and age in the variables and highlighting the need for quality. The common position introduced further amendments concerning the protection of confidential data transmitted between national and European Commission authorities, as well as more precise details concerning intervals and time limits for data provision and the subjects covered. On 8 October, the Commission Communication concerning the common position (COM(2008) 649 final) accepted the changes introduced by the Council, which were then approved by a European Parliament resolution on 19 November. The final legislative act – *Regulation (EC) No. 1338/2008 on Community statistics on public health and health and safety at work* – was signed on 16 December 2008.

Violence in the workplace

On 17 March 2008, ETUC published an interpretation guide of the 2007 framework agreement on harassment and violence at work, intended as a dissemination and awareness enhancing tool. The guide aims to support ETUC member organisations in its implementation, and to allow better monitoring and evaluation of the results achieved.

On 18 September 2008, Eurofound published the background paper, *Violence in the education sector*, based on data from the four waves of the EWCS. It outlines that psychological violence, such as bullying, harassment and mobbing, is at least as prevalent as physical violence in EU workplaces. Such violence has a similar impact in terms of self-reported stress and health-related leave; the education sector ranks above average for each of the forms of violence identified.

Minimum wage

At a conference on minimum wages jointly organised by the ILO and the European Commission on 31 October 2008, the Managing Director of BusinessEurope, Thérèse de Liedekerke, strongly opposed the introduction of a minimum wage at European level. In her speech, Ms de Liedekerke pointed out that, in those countries that do not rely on statutory minimum wages, sectoral collective agreements play the main role in setting minimum pay rates.

Decisions to introduce a minimum wage or to raise the level of minimum pay are usually prompted by concerns about income inequality or combating poverty. However, recent research from the European Employment Observatory (EEO) indicates that in seven countries with the minimum wage – Cyprus, France, Greece, Hungary, Latvia, Malta and Poland – it is contributing to the prevalence of undeclared work mainly because of the high level at which it is set. According to BusinessEurope,

a better way to make work pay for low-skilled and/or unemployed people is through changes in the tax and benefit system.

Official statistics and trends

Job quality and working conditions

The ETUI-REHS working paper *Putting a number on job quality? Constructing a European job quality index* created a European job quality index by gathering data from several EU-level sources, in particular from the EWCS. The index aims to contribute to the debate about ‘more and better jobs’ in Europe, providing a framework for a more comprehensive assessment of the nature of job quality. The index includes six sub-indices on wages, non-standard forms of employment, working time and work–life balance, working conditions and job security, skills and career development, and collective interest representation and participation. It highlights the multidimensional characteristics of job quality and is designed to monitor changes in employment over time, as well as enabling a comparison between European countries.

Chapter 4 of *Employment in Europe 2008*, published on 18 November 2008, proposes a more developed analytical framework based on four main dimensions of job quality in order to complete indicators set at the 2001 European Council in Laeken, Brussels. The four dimensions are:

- wages and socioeconomic security;
- working conditions and work intensity;
- skills and training;
- the reconciliation of work with private life, including gender equality aspects.

Member States are then mapped onto a reduced number of job quality models or regimes, highlighting the significant degree of heterogeneity of job quality outcomes across Europe. The report also draws trends over time in the EU, suggesting a slight overall improvement in job quality from 1994 to 2004, although this varies to some extent across Member States. The results indicate a near stability in the geographical composition of job quality models.

Significant synergies between the number of jobs and their quality, as well as between job quality and labour productivity are found. The report argues that adequate treatment of labour market transitions is particularly relevant because job quality concerns are often associated with greater perceived risks of job loss and precarious labour market attachment.

Published on 21 August 2008, the Eurofound report *Attractive workplace for all* summarises the main results from 102 case studies grouped according to six orientations:

- improving competencies and fostering employability;
- increasing labour market participation of underemployed groups;
- integrating people at risk of exclusion into the labour market;
- making work attractive;

- balanced flexibility;
- business creation and entrepreneurship.

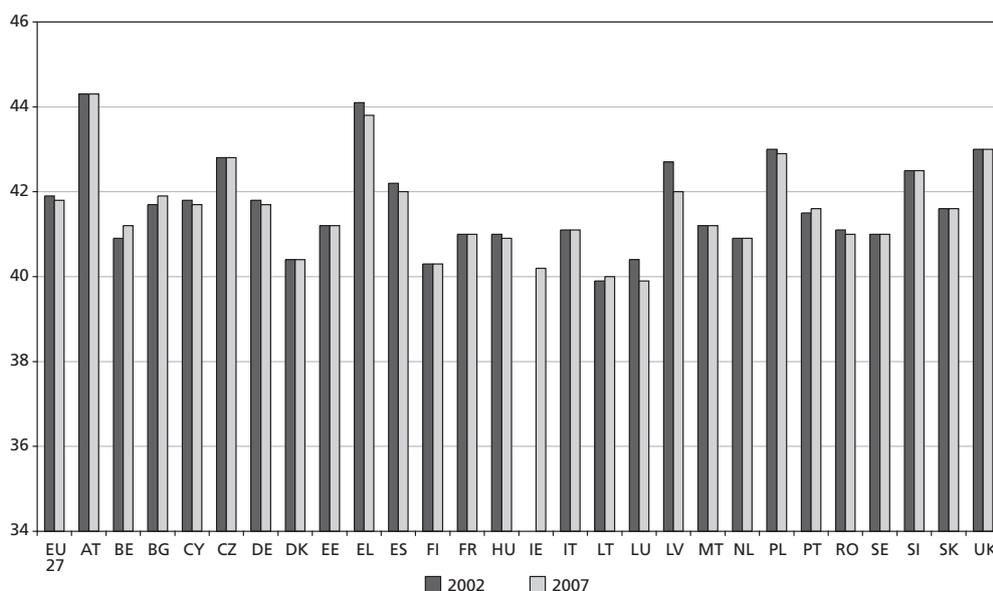
Initiatives focusing on the first three orientations involve not only training, but also ‘learning’ or ‘qualifying’ organisations and forms of management that recognise the competencies acquired and managed as a joint asset. Profit sharing or employee shareholdings (orientation 4) and balanced flexibility (orientation 5) strategies are strongly affected by national and corporate cultures. These approaches open up additional fields to social dialogue and mutual understanding. Finally, initiatives in the area of business creation (orientation 6) are sometimes highly innovative, especially in restructuring processes.

Some of the main results from the EWCS and the European Quality of Life Survey (EQLS) on working life, work–life balance and feelings of job security are summarised in the report, *Living and working in Europe*, published on 28 November 2008. It highlights that satisfaction about work is linked with feeling at home in an organisation and of being well rewarded.

Working time

The usual hours worked a week by full-time workers show a slight decline in 2007 at EU level, from 41.9 hours to 41.8 hours (Figure 17). Austria (44.3 hours), Greece (43.8) and the UK (43) report the longest working hours, while Lithuania and Luxembourg report the shortest (40 hours). While Belgium, Bulgaria, Lithuania and Portugal have experienced an increase in working hours, Cyprus, Germany, Greece, Hungary, Latvia, Luxembourg, Poland, Romania and Spain report a reduction.

Figure 17 Usual hours worked per week, full-time workers, 2006–2007

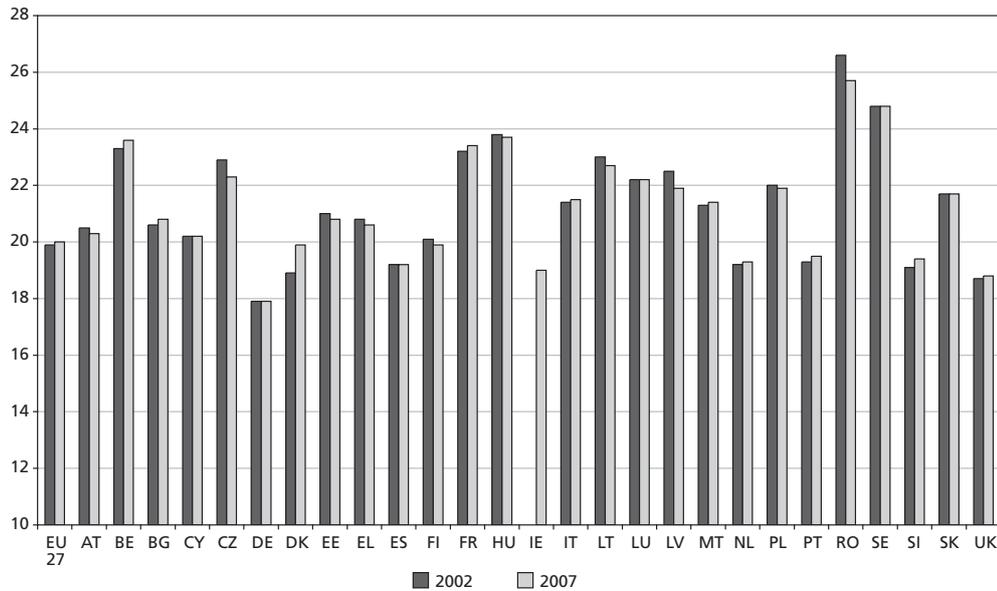


Note: No 2006 data for IE

Source: Eurostat, 2009

Part-time workers at EU level report a slight increase in their working time in 2007, from 19.9 hours to 20 hours a week (Figure 18). Most countries report an increase, while Austria, the Czech Republic, Estonia, Finland, Greece, Hungary, Latvia, Lithuania, Poland and Romania report some reduction.

Figure 18 Usual hours worked a week, part-time workers, 2006–2007



Note: No 2006 data for IE

Source: Eurostat, 2009

The Eurofound background paper, *Revisions to the European working time directive: Recent Eurofound research*, published on 19 November 2008, summarises data on long working hours according to country, economic sector, occupation, employment status and multiple job holding. It examines the impact on health, satisfaction with work–life balance and compensation. The study then looks at regulations on working hour limits and on-call work. Finally, it considers working time flexibility and work–life balance, including the impact of non-standard working hours.

Health and safety

The EU-OSHA report, *Work-related musculoskeletal disorders: prevention report*, published on 8 February 2008, evaluates the effectiveness of interventions at the workplace and provides practical examples with respect to successful prevention of MSD. It focuses mainly on the developments that have taken place since the previous European MSD campaign in 2000. Case studies show that successful implementation of workplace interventions involves participatory and multidisciplinary approaches, managerial sponsorship and tailor-made solutions.

The report, *Prevention of work-related musculoskeletal disorders in practice*, issued by EU-OSHA on 15 February 2008, summarises the Good Practice Award winners and commended entries from the 2007 campaign ‘Lighten the load’.

The EU-OSHA report, *Workplace exposure to vibration in Europe: an expert review* examines how Directive 2002/44/EC on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (vibration) is being practically implemented in six European countries. It calls for prevention programmes including an integrated step-by-step approach, effective guidance, implementation of a purchasing policy, collaboration with manufacturers, implementation of a range of measures, and information and awareness raising.

On 14 July 2008, EU-OSHA published the report, *Protecting workers in hotels, restaurants and catering*, providing an overview of good practices at both policy and workplace levels. It outlines the psychosocial risks and problems arising from employing non-permanent workers to an extent that goes beyond the EU average.

The EU-OSHA report, *Skin diseases and dermal exposure: policy and practice overview*, published on 9 October 2008, presents an overview of principal policies relating to the recognition and recording of skin diseases and dermal exposure to chemical, biological and physical risk factors in the EU25. It concludes by summarising some challenges, prospects and recommendations on the issue.

Minimum wage

Issued on 27 November 2008, the Eurostat publication, *Minimum wages 2008*, divides the 20 Member States with a minimum wage into three groups:

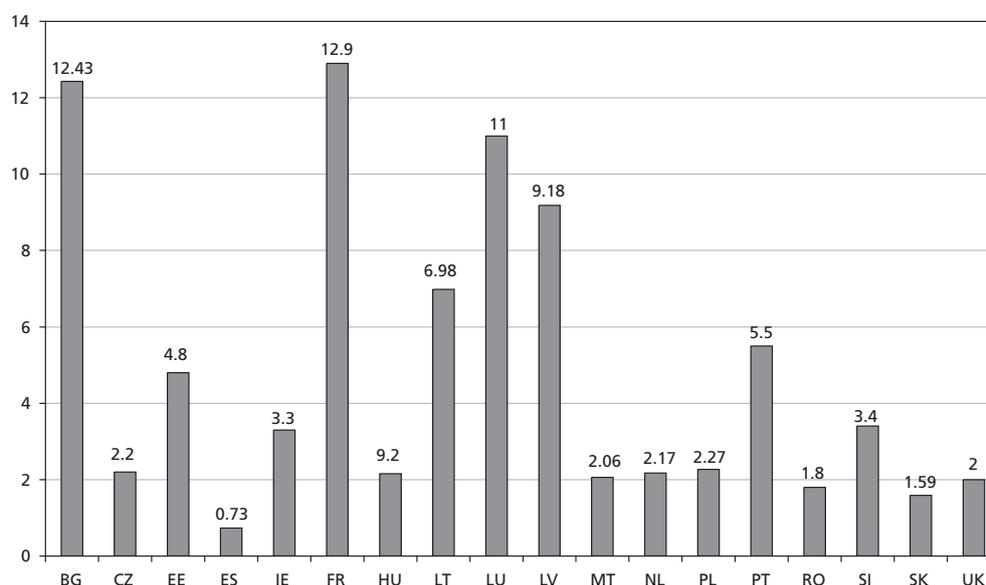
- nine countries with the lowest monthly minimum wages, between about €100 and €350 – Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia;
- five Member States – Greece, Malta, Portugal, Slovenia and Spain – with an intermediate level of minimum wage, from €500 to €700 a month;
- six Member States – Belgium, France, Ireland, Luxembourg, the Netherlands and the UK – in which the monthly minimum wage is close to or above €1,150.

When applying purchasing power parities (PPP), the spread is reduced from the actual wages of €112 in Romania and €1,610 in Luxembourg to a purchasing power standard (PPS) of 232 in Romania and 1,532 in Luxembourg.

In the Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania and the UK, the monthly minimum wage is less than 40% of average gross monthly earnings, while in Luxembourg and Malta it is close to 50% of average gross monthly earnings. In an intermediate group – comprising Bulgaria, Ireland, the Netherlands, Portugal, Slovakia, Slovenia and Spain – the minimum wage is between 41% and 47% of average gross monthly earnings. Finally, a synthesis table summarises when the minimum wage was introduced, its coverage, the methods of fixing and updating the rate, the type of rate (monthly, daily or hourly) and the statutory level.

The proportion of full-time workers earning the minimum wage varies from 12.9% in France, 12.4% in Bulgaria and 11% in Luxembourg, to 0.73% in Spain, 1.6% in Slovakia and 1.8% in Romania (Figure 19).

Figure 19 Full-time employees earning minimum wage, 2007 (%)



Notes: 2005 data for EE and NL; 2006 data for IE and PL; no data for BE and EL

Source: Eurostat, 2009

Working conditions and social dialogue

The comparative analytical report, *Working conditions and social dialogue*, published on 18 April 2008, provides a comprehensive overview of research and case studies delineating the impact of social dialogue on working conditions in 28 European countries. Measures include reduced working time, increased working time flexibility to suit employees' needs, access to and participation in training, the existence of equal opportunities policies and improved job security. Special focus is devoted to occupational health and safety and the intertwining of social dialogue with the actions of labour inspectorates. Good practices highlight the different configurations of social dialogue, by investigating factors that have contributed to the success or failure of such initiatives.

It is likely that social dialogue will make progress on an even broader range of topics in the future, such as further developments in occupational health and safety, issues pertaining to the introduction and use of new technology, the challenge of the ageing population, efforts to modernise social security and pension systems, and measures seeking to harness the positive aspects of globalisation.

Roadmap for gender equality

According to the European Commission *Report on equality between women and men – 2008*, quantitative progress has been made in connection with the European strategy for growth and jobs. However, efforts are still needed to boost the qualitative aspect of equality. Moreover, the objective of eliminating gender gaps in employment must be continued and intensified by tackling labour market segregation. The report emphasises that equality objectives cannot be achieved without the commitment of all stakeholders.

Important issues such as support for the reconciliation of professional and private life, further training for workers, health and well-being at work and quality of the work environment should take account of the specific situations and problems of women and men. The report also highlights the need for tools to assess the impact of policies from a gender perspective.

Published on 26 November 2008, the Commission *Mid-term progress report on the roadmap for equality between women and men (2006–2010)* (COM(2008) 760 final) highlights uneven progress in the six policy areas outlined in the roadmap. It emphasises the role of awareness-raising campaigns in providing a clear idea of the challenges raised by implementing equality policy. It will be important to support the integration of gender equality – and in particular reconciliation policy between work, private and family life – into the 2008–2010 cycle of the Lisbon Strategy and the Open Method of Coordination in the field of social protection and inclusion, as well as to assess the commitment to equality in the social cohesion, education and research programmes.

Significant progress with regard to equality in external policies needs to be pursued. Priorities include the balanced participation of women in all decision-making bodies, vigilance against sexist stereotypes and making the European Institute for Gender Equality operational as soon as possible. The report recalls that the renewed social agenda provides for the Commission to strengthen the integration of gender equality into its policies and activities.

Gender mainstreaming

The European Commission report, *Women and men in decision-making 2007*, presented in June 2008, highlights that, notwithstanding EU efforts, women are still underrepresented in all spheres of power in most Member States and in the EU institutions. Across Europe, women account for just over 44% of all workers but only 32% of those considered as heads of businesses and 10% of the board members of leading companies, with little improvement in recent years. Central administrations of EU Member States report significant progress, where women currently fill almost 33% of positions, concentrated in ministries with sociocultural functions. Several good practices at company and national level are discussed.

Issued on 9 June 2008, the EPSCO conclusions ‘Women in political decision-making’ welcome the European Commission’s report and the establishment of an EU network of women in decision-making in 2008. EPSCO encourages the Member States and the Commission to further improve the collection, analysis and dissemination of accurate, pertinent and comparable European data according to gender, and to launch quantitative and qualitative studies on the outcome of positive measures. It also encourages a review process of the indicators on ‘Women in the economy

(reconciliation of work and family life)' and of the other indicators already developed in the follow-up to the Beijing Platform for Action.

The 9 June EPSCO conclusions on eliminating gender stereotypes in society call for urgent action to reinforce the effective implementation and monitoring of gender mainstreaming strategies and the promotion of specific actions to eliminate gender stereotypes. The social partners and companies play an important role in guaranteeing equal opportunities for women and men in recruitment, work, vocational training, promotion and work–life balance policies, and in efforts to eliminate the gender pay gap and to advance the employment of women and men in sectors and occupations where they are underrepresented.

In November 2008, the European Commission presented a *Manual for gender mainstreaming: employment, social inclusion and social protection policies*. It proposes a four-step method: getting organised, learning about gender differences, assessing the policy impact and redesigning policy. This method should be adopted in implementing gender mainstreaming in every relevant policy, such as employment policies, and thus in the Lisbon Strategy. It is then applied to four main fields that have been chosen to cover broadly all types of employment policies and guidelines: ALMP, pay and career policies, policies for reconciling work, private and family life, and flexicurity policies.

Framework of actions on gender equality

The *Third follow-up report 2008* on the European social partners' Framework of actions on gender equality provides an overview of a selected number of initiatives developed by national social partners during 2008. These include the integration of the priorities of the framework of actions in collective agreements, and promotion of its approach and priorities through tripartite concertation. Projects tackling one or more priorities in a more focused way – either jointly between the social partners or separately – are the most frequently reported activities. The 2008 follow-up report places a greater emphasis on actions to tackle the pay gap than either of the previous two reports.

Gender equality in employment and occupation

Work–life balance

The European social partners' progress report of 27 February 2008 on reconciling professional, private and family life emphasises the importance of tackling the gender employment gap and the role played by EU-level initiatives on work–life balance in promoting a diversified approach. The report comes after the European Commission's second-stage consultation on reconciling professional, private and family life and the July 2007 ETUC, BusinessEurope, CEEP and UEAPME notification to the European Commission of their intention to start the evaluation process (see the EWCO annual review 2007–2008). Flexible working arrangements, leave arrangements and care facilities are the main instruments used by the Member States, with active contributions from the social partners.

It is important to strike the right balance to ensure that leave arrangements do not undermine efforts to increase labour market participation. Measures should support workers returning from leave and prevent negative effects on their career. Successful policies need to be tailored to individual needs, which can vary throughout the life course, and also to organisations' needs, which can vary depending on the size, sector or customer demand. The best results are achieved through dialogue and negotiation, including collective bargaining where appropriate. The European social partners

reiterate the call to Member States to accelerate progress to realise the commitments made towards achieving the goals set at the European Council in Barcelona in 2002. Those objectives included eliminating obstacles to the participation of women in the labour market and introducing by 2010 childcare for 90% of children aged between three years and the mandatory school age, and for at least 33% of children younger than three years.

According to the opinion of the Advisory Committee on Equal Opportunities for Women and Men on 3 July 2008, further developments in statutory leave entitlements would achieve gender equality in the labour market and a more balanced sharing of caring responsibilities between women and men. The committee proposed to extend maternity leave and parental leave to at least 24 weeks (supported by adequate payments), to extend them to atypical workers, to allow transferability to partners, and to introduce paternity leave, as well as carer and adoption leave.

On 3 October, the European Commission issued a Communication, *A better work–life balance: stronger support for reconciling professional, private and family life* (COM(2008) 635 final), based on an impact assessment and a cost-benefit analysis report (press release). It aims to provide a framework strategy and guidelines to Member States, noting that the lack of any EU initiative would increase divergence across Member States while the most promising option would be to combine all measures in a package of complementary proposals. The Commission's proposal for amending maternity leave would provide the starting point for the design of a family-related leave system and can be taken into account by the social partners in their negotiations on other forms of family-related leave.

Revision of pregnant workers directive

On 3 October, the European Commission also issued a proposal for a directive amending Council Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding (COM(2008) 637 final). The minimum length of maternity leave is extended from 14 to 18 weeks, in line with the 2000 ILO Maternity Protection Recommendation. This is to help the worker to recover from the immediate effects of giving birth, while also making it easier for her to return to the labour market at the end of her maternity leave.

The proposal also improves the employment rights of pregnant women and those who have recently given birth or are breastfeeding. For example, the proposed amendment stipulates that an employer would have to justify in writing the dismissal of a woman within six months of the end of her maternity leave. It also provides for the principle of the payment of the full monthly salary received prior to the maternity leave. Furthermore, employers shall be obliged to consider employees' request for changes to their working hours and patterns, taking the needs of both sides into account. Member States are left to decide on the length of additional leave in the event of premature childbirth, children hospitalised at birth, new-born children with disabilities and multiple births. Benefits can be capped but not below the rate for sick pay.

In its position paper of 15 December 2008, BusinessEurope does not accept the revision of this directive since the lengthening of maternity leave does not necessarily imply an increase in the occupational health and safety protection of pregnant and breastfeeding workers. Nor does the employer organisation accept an increase in the minimum financial compensation during this leave. Extending maternity leave rights at EU level, it says, is overly restrictive for companies and would

actually be detrimental to women's employment opportunities. Provisions on the dismissal of workers and rules on payment during maternity leave would widen the scope of the directive far beyond health and safety at work. Regarding reconciliation policies, maternity leave cannot be seen in isolation to the range of other instruments in this area, which in many cases are more relevant in providing better reconciliation of work and family life.

The CEEP opinion does not inherently reject proposals on the extension of maternity leave periods. However, it emphasises that the evidence base for making such changes is flawed and that any changes to maternity leave should be considered in the context of a package of leave provisions. This cannot be done until social partner negotiations on parental leave and wider work–life balance measures have been completed. Nonetheless, combining an extension of leave entitlements with a right to have a request for flexible work considered by the employer could lead to a significant additional financial and organisational burden on employers.

In its position paper, UEAPME is fundamentally in favour of a good reconciliation of work and family life. However, the business organisation opposes the compulsory leave of at least six weeks after childbirth because it believes that it will create an impossible situation for work organisation and planning in SMEs. UEAPME also opposes the worker's protection for six months after the end of maternity leave.

The ETUC position, issued on 31 January 2009, welcomes the European Commission's proposal to ensure income protection during maternity leave at the level of their full salary. ETUC believes that it is of the highest interest to safeguard the income and employment security of pregnant women and young mothers, and to ensure that women and their families are not 'penalised' for having babies. The trade union confederation has also drawn attention to the need to strengthen the health and safety dimension of the directive, notably in terms of risk prevention and assessment, and the right to breastfeeding facilities. ETUC highlights the need to introduce paternity leave, leading to a more equal division of childrearing between men and women.

Childcare

On 7 July 2008, ETUC, BusinessEurope, CEEP and UEAPME emphasised in their joint letter to the European Commission that, without greater efforts, the Barcelona targets on the provision of childcare will not be achieved by 2010. Despite some significant improvements in a number of countries, the situation remains unsatisfactory in the majority of EU Member States. The social partners point out that the provision of quality, accessible and affordable childcare for all is recognised as one of the most effective measures for achieving a work–life balance. It promotes the participation of women in the labour market, narrows the gender pay gap and contributes positively to children's development.

As discussed in the Framework of actions on gender equality, the European social partners recognise the complementary role that they can play by sponsoring childcare centres or providing an allowance covering part of the childcare costs to parents. They can create funds through collective agreements or other means to support childcare projects addressing specific needs of working parents such as care for sick children or care outside regular opening hours. Given the large number of women working in childcare services, improving working conditions in this field can also contribute to the

EU overall strategy of improving women's access to quality employment and reducing the gender pay gap.

A Commission report *Implementation of the Barcelona objectives concerning childcare facilities for pre-school-age children* (COM(2008) 638 final), published on 3 October 2008, finds that the demand for formal systems of childcare is far from being met in most Member States, preventing parents (especially women) from participating in employment. The situation could be improved by opening new childcare facilities and by professionalising informal childcare, for example by setting quality standards for childcare, improving conditions of employment and remuneration, and staff training. In addition, the more specific needs of parents with atypical working hours or sick children must also be met. Childcare facilities are not always financially affordable, and their opening hours are not always compatible with full-time employment or with jobs involving atypical hours. This prevents parents, especially women, from achieving their full productive potential.

Equal treatment between men and women

On 25 February 2008, the European Commission launched a consultation on equal treatment between men and women, which is regulated by Council Directive 86/613/EEC on the application of the principle of equal treatment between men and women engaged in an activity, including agriculture, in a self-employed capacity, and on the protection of self-employed women during pregnancy and motherhood. The consultation aimed to provide maternity leave for self-employed women and for assisting spouses in a family business, by ensuring a payment or allowance equivalent to that received in the case of sick leave or, alternatively, a temporary replacement. Furthermore, the Commission asked the social partners to discuss the feasibility, advantages and disadvantages of ensuring leave entitlement such as sick leave and paternity leave for self-employed men.

In both its first-stage and second-stage consultation position papers, UEAPME does not see the need to revise the pregnant workers directive to encompass self-employed women. It believes that any reference and alignment to that directive should be avoided (while maintaining the principle for maternity leave protection), as it interferes with entrepreneurial choice and independence. On the other hand, UEAPME supports the idea of full recognition of the contribution that spouses can make to family businesses. Member States should consider an allowance payment and the provision of assistance in the form of a temporary replacement or support replacement schemes and improve accessibility.

According to the June 2008 opinion of the Advisory Committee on Equal Opportunities for Women and Men, the directive should be amended since the principle of equal treatment is not met. The committee calls for the compulsory registration of assisting spouses in order to ensure social security protection; their nonbinding registration and protection may be considered an endorsement of work carried out in the informal economy. Moreover, the committee calls for the extension of the terms 'wife' and 'marital status' to non-married and same-sex couples.

On 3 October, the European Commission issued a proposal for a directive on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Directive 86/613/EEC (COM(2008) 636 final). It covers persons recognised as 'life partners' of the self-employed worker by national law, irrespective of marital status, and

introduces an obligation for assisting spouses, if they so decide, to join the same social security protection applicable to the self-employed worker. Workers and assisting spouses can, at their request, be entitled to the same period of maternity leave as provided for in the pregnant workers directive with an adequate allowance during their maternity leave. Alternatively, they can have access as far as possible to services supplying temporary replacements or to any existing national social services.

According to the working document issued on 30 January 2009 by the European Parliament Committee on Women's Rights and Gender Equality, the maternity leave system for self-employed women should not be modelled on that applicable to employees since the former cannot allow themselves a break in their activity for a period of many weeks. The committee is convinced that social protection coverage should be made compulsory for assisting spouses, since Member States' experience shows that, when this is not the case, they usually will not join.

Gender pay gap

Issued on 22 April 2008, the EESC opinion on the European Commission communication on tackling the gender pay gap considers that national governments, national equal opportunities bodies and, in particular, the social partners in all Member States have a clear obligation to work to reduce existing structural differences such as segregation in various economic sectors, professions and working patterns. Moreover, these parties should ensure that the wage systems adopted reduce existing pay differentials between women and men, setting equal pay plans with specific objectives – for example, to reduce pay differentials by 1% a year. The EESC encourages large and medium-sized companies to monitor and achieve fair pay scales by identifying the problems of gender discrimination in job classification systems; they should implement transparent pay systems to ensure that the skills, experience and potential of all staff are rewarded fairly, based on equal opportunity plans. Every year, the companies should provide employees and their representatives with wage statistics according to gender. The EESC calls for the promotion of flexitime, since it improves gender equality in the labour market, by making working hours compatible with family responsibilities, and for a change in the gender-based distribution of home and care duties in order to create a better balance between men and women.

The ETUC resolution 'Reducing the gender pay gap' of 25 June 2008 broadly supports the European Commission's initiative in improving the legal framework. It emphasises the role of strong collective bargaining in reducing wage inequalities, including the gender pay gap, and the persistent inequalities that women face in the labour market and the workplace. The wage penalty apparently linked to part-time work requires a possible negotiated revision of Council Directive 97/81/EC concerning the framework agreement on part-time work concluded by UNICE, CEEP and ETUC, which prescribes equal treatment between full-time and part-time workers. It also requires more targeted and effective actions in collective agreements.

Among a number of provisions, ETUC calls for:

- reintroducing a definite target for reducing the pay gap in the employment guidelines;
- adding access to vocational training and recognition of women's qualifications and skills as a tool in reducing the gender wage gap;
- improving statistics and adding comparable data on the gender pay gap in part-time work and the gender pension gap;

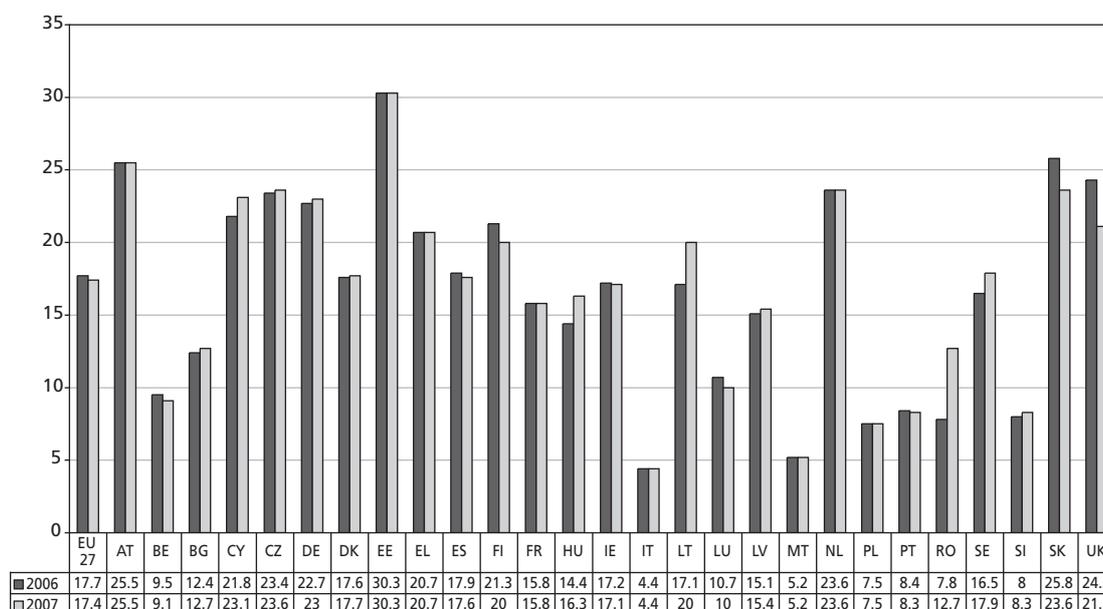
- a stronger role in the monitoring and enforcement at national and EU level of the employment guidelines.

On 18 November, a European Parliament resolution on the application of the principle of equal pay for men and women calls on the European Commission to submit to Parliament by 31 December 2009 a legislative proposal to ensure better and earlier implementation of the provisions of Directive 2006/54/EC on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation. Furthermore, the European Parliament calls on equality organisations and the social partners to apply measures such as those set out in the 2005 Framework of actions on gender equality, and to jointly develop objective job evaluation instruments, in order to reduce the pay gap between men and women; the Parliament highlights the role of collective bargaining in combating discrimination against women. Moreover, the European Parliament calls on the European institutions to organise a European Equal Pay Day, which should contribute to raising awareness about the existing wage gap and encourage all those involved to take additional initiatives to eliminate this gap.

Official statistics and trends

The unadjusted gender pay gap has narrowed slightly at EU27 level, from 17.7% to 17.4% (Figure 20). The highest values are reported in Estonia (30.3%), Austria (25.5%) and the Netherlands and Slovakia (23.6%), while Italy (4.4%), Malta (5.2%) and Poland (7.5%) cite the lowest. Finland, Slovakia and the UK report a significant narrowing of the gender pay gap, while it has become notably wider in Cyprus, Hungary, Latvia, Romania and Sweden.

Figure 20 Unadjusted gender pay gap, as percentages of men's gross hourly earnings (%)



Notes: Provisional values for EU27 and UK; provisional values for 2007 for BE, BG, EE, EL, ES, FI, FR, IT and MT

Source: Eurostat, 2009

On 6 March 2008, Eurostat published the report *The life of women and men in Europe – A statistical portrait* focusing on people's formative years, the years when they are working and bringing up families, and their later years when they have retired. The report shows a stronger concentration of women in fewer economic sectors than is the case for men, especially in the NMS.

The Eurofound background paper, *Mind the gap – Women's and men's quality of work and employment*, published in April 2008, highlights vertical and horizontal segregation as the main barrier to women's labour market participation, notwithstanding their progress in terms of actual participation. Moreover, working women continue to shoulder a disproportionate share of household and caring responsibilities, which impacts on their work–life balance. Women are overrepresented in most labour market categories that deviate from the standard model of full-time, permanent employment. Four out of five part-time workers in Europe are female, as are a majority of non-permanent workers, and the unadjusted pay gap persists at 15% (or 5% when adjusted). The report summarises examples of good practice initiatives by the social partners to promote gender equality in the labour market.

Published on 18 April 2008, the Eurofound report *Working in Europe: Gender differences* finds that the situation of working women in Europe has genuinely improved in many areas but that major challenges remain. Some of the labour market deficiencies, such as the underrepresentation of women in labour market policy measures, may possibly be remedied by political intervention. However, other deficits will require the support of the social partners – for example, the improvement of flexible working time arrangements to allow for a better work–life balance. Many gender-specific aspects of work, such as the concentration of women and men in certain occupations and economic sectors, may be largely explained as an effect of a gender-specific socialisation process.

In August 2008, Eurofound published the conference report *Families and childcare services* following a conference on this topic in Ankara, Turkey, on 5 June 2008. It outlines that no European country has yet achieved full equality of opportunities for women in terms of employment or pay, and that reconciliation of work with family responsibilities poses particular challenges for women because of the persistence of gender stereotypes about family tasks. When female participation in the formal labour market reaches about 50%, private and informal childcare services become insufficient and inadequate. The Barcelona targets regarding childcare are still far from being achieved in most EU Member States.

The Eurofound background paper prepared for the conference on professional equality for men and women held in Lille on 13–14 November 2008, *Women at work: Paths to equality*, shows that some progress has been achieved in making the workplace more equal in gender terms. Nevertheless, according to the fourth EWCS, European labour markets remain highly segregated. Only 26% of Europeans work in mixed-gender occupations, where the workforce is composed of at least 40% of both men and women. Three quarters of European workers work in sectors that are either predominantly male or predominantly female. Notwithstanding high levels of education, women have difficulty in reaching the highest positions, which carry more responsibilities (although they are slowly catching up with their male colleagues). Where women are managers, they are most often supervising other women – a fact that underlines the sectoral and occupational segregation in the labour market.

On 13 November 2008, Eurostat issued the publication *Employment gender gap in the EU is narrowing*, showing that the gender gap has narrowed significantly in the 25–54 year age group, standing at 15.3% in 2007 compared with 19.3% in 2000. This is due to both general economic conditions and a variety of measures fostering female employment. Women show a stronger correlation than men between the level of education and labour market participation: in 2007, the employment rate of low-qualified women was 39.1%, while it reached 80.5% among highly qualified women. The gender gap is almost stable in relation to working atypical hours.

According to the Eurostat news release, ‘A quarter of children aged less than three in formal childcare’, issued on 5 December 2008, 12% of children below three years of age are in formal childcare for at least 30 hours a week while a further 14% are in formal childcare for less than 30 hours a week. The highest proportions for attending formal childcare were recorded in Denmark (73%), the Netherlands (45%) and Sweden (44%); Belgium, Portugal, Spain and the UK also achieved the Barcelona target of 33% of children aged less than three years in formal childcare. On the other hand, the lowest rates were reported in the Czech Republic and Poland (both 2%).

On 28 January 2009, Eurostat published the 2008 guidelines for the *Harmonised European time use surveys* aiming to provide a sound methodological basis for countries intending to carry out time use surveys, to ensure that the results are comparable between countries and hence to greatly enhance the value of the data.

Equality and non-discrimination

Case law

On 10 July 2008, the ECJ ruled (Case C-54/07) that an employer stating publicly that it would not recruit employees of a certain ethnic or racial origin constitutes direct discrimination in respect of recruitment within the meaning of Article 2(2)(a) of Council Directive 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial or ethnic origin (EU0812029I). Such statements by an employer are likely to strongly dissuade certain candidates from submitting their candidature and so hinder their access to the labour market. Furthermore, the public statement created a presumption of direct discrimination, shifting the burden of proof to the employer to show that this had not occurred. Sanctions applicable to breaches of national provisions adopted in order to transpose the directive must be effective, proportionate and dissuasive, even where there is no identifiable victim.

Resolutions and reports

On 20 May 2008, a European Parliament resolution on progress made in equal opportunities and non-discrimination in the EU expressed concern about deficiencies in the transposition and implementation of Council Directive 2000/43/EC and Council Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation. The European Parliament regrets that the directives do not cover differences in treatment of a discriminatory nature based on physical criteria, particularly in relation to access to jobs where there is no direct link between those physical characteristics and the skills required to perform the jobs concerned. On the other hand, the European Parliament welcomes the European Commission’s interest in multiple discrimination. It urges Member States to ensure equal treatment and opportunities in employment and social inclusion policies and, in particular, to address the serious barriers raised by discrimination in

recruitment procedures. Member States should collect, compile and publish – in cooperation with the European Union Agency for Fundamental Rights (FRA) and the Commission – comprehensive statistics on discrimination at regular intervals.

The Commission report, *Communicating equality and non-discrimination in the European Union*, presented in June 2008 at an anti-discrimination conference in Belfast, Northern Ireland, summarises experience and knowledge on communicating on anti-discrimination, and explores the concept of raising awareness from a number of angles.

In July 2008, the Commission published the Eurobarometer report *Discrimination in the European Union*, which represents a follow-up to a 2006 survey. The 2008 publication tracks how perceptions and opinion have changed since 2006 in relation to the six forms of discrimination legally prohibited in the EU: gender, age, disability, religion or belief, ethnic origin and sexual orientation. Discrimination based on ethnic origin (62%) is considered to be the most widespread form of discrimination in the EU, followed by discrimination on the grounds of sexual orientation (51%) and disability (45%), with a slight decrease compared with the 2006 survey.

In the course of the 12 months leading up to the Eurobarometer survey, 15% of respondents reported that they personally felt discriminated against or harassed on the basis of at least one of the grounds under consideration. Age discrimination (6%) is the most commonly reported personal experience, while 3% reported multiple discrimination. When asked which criteria may put people at a disadvantage when a company can choose between two candidates with equal skills and qualifications, the most frequently mentioned aspect is the candidate's look, dress- sense or presentation, which 50% feel could put them at a disadvantage. This is followed by age (45%), skin colour or ethnic origin (42%) and having a disability (41%); the proportion identifying disability as a potential disadvantage has declined by eight percentage points since 2006.

On 15 January 2009, a European Parliament resolution called on the European Commission to carefully monitor the transposition of Directive 2002/73/EC amending Council Directive 76/207/EEC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions. The European Parliament draws attention to the poor level of awareness among women of their rights under the directive, and points out the need to foster dialogue between the social partners in order to apply the principle of equal treatment. This objective can be facilitated by the monitoring of workplace practices, collective agreements, codes of conduct, research and exchange of experience and good practice. In addition, the European Parliament emphasises the need to encourage human resources policies and positive measures promoting gender equality, and to develop and implement corporate equality plans. The European Parliament also highlights the need to combat the specific obstacles faced by women and girls with disabilities and by the parents of children with disabilities as regards equal access to education and to the labour market. Measures should be adapted to incorporate the gender dimension in all policies and to meet the particular needs of such groups. The European Parliament invites the Commission, the European Institute for Gender Equality and Member States to provide accurate figures and reporting.

Anti-discrimination law

After the 2007 consultation on anti-discrimination law, the European Commission adopted a non-discrimination package comprising a proposal for a Council directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation (COM(2008) 426 final). It aims to ensure equal treatment in social protection, education and access to and supply of goods and services commercially available to the public, including housing, according to a comprehensive approach to step up action against discrimination and to promote equal opportunities. A non-discrimination governmental expert group was set up in July 2008 to examine the impact of national and EU-level non-discrimination measures, to validate good practice through peer learning and to develop benchmarks to evaluate the effectiveness of non-discrimination policies.

In its position paper of 2 September 2008, EuroCommerce noted that it cannot tolerate discrimination but that it does not approve of the European Commission's directive proposal because it is too vague and impractical in its present form since it would create legal uncertainty and additional burdens for companies in the retail and wholesale trade sector. EuroCommerce advocates a non-legislative approach and is in favour of an intensified and structured dialogue between public authorities, business and all other stakeholders concerned, particularly NGOs representing groups exposed to discrimination.

Issued on 18 September 2008, an EESC opinion on extending anti-discrimination measures for areas outside employment and the case for a single comprehensive anti-discrimination directive believes that the elimination of discrimination both within and outside the labour market is essential for the achievement of the objectives of the Lisbon Strategy. A single directive would provide maximum clarity for businesses and other providers of goods and services, encouraging early compliance, and would most effectively encompass protection against multiple discrimination, as further highlighted by the EESC's additional opinion on 14 January 2009.

In its position paper of 14 November, BusinessEurope considers discrimination in and outside the labour market unacceptable and reconfirms its commitment to the fight against it. However, it has strong concerns about the European Commission's draft directive since it does not respect the subsidiarity and proportionality principles and will raise costs, exacerbate red tape and increase legal uncertainty for companies without matching the broader orientations taken in the renewed social agenda.

On 14 January 2009, a European Parliament resolution on the situation of fundamental rights in the European Union 2004–2008 welcomed the Commission proposal to extend the scope of Directive 2000/43/EC to all other forms of discrimination. However, it is concerned about the 'escape clauses' included in the proposal on the basis of a wide range of exceptions, which may actually serve to codify existing discriminatory practices.

In 2008, migration policies achieved legislative progress with a set of directives under the umbrella of the European Commission communication on a common immigration policy. On the other hand, mobility issues are strongly affected by a number of ECJ judgements aiming to strengthen the single market strategy.

In the area of health, in 2008 the European Commission promoted an impact assessment study to pave the way to proposing a directive on work-related MSDs. The Pact for Mental Health and Well-being is an important step towards a comprehensive workplace strategy on emerging psychosocial risks, as shown by the social partners' implementation report on their framework agreement on work-related stress and initiatives by the European Alliance for CSR.

The renewed social agenda of July 2008 and the social package in October should mark a starting point in complementing and further revising the package of leave arrangements and actions in favour of social inclusion. The flexicurity principles, following the December 2007 resolution, shape training policies under the 'New skills for new jobs' strategy as well as social protection and social inclusion policies, according to a comprehensive approach that aims to go beyond the 'make work pay' approach.

Finally, while the joint opinion of the social partners paved the way for the Temporary Agency Work Directive, the Working Time Directive still faces significant difficulties, since the Council compromise was rejected by the European Parliament. This disparity in views reflects the social partners' different perspectives on the issue.

Annex

Country codes

EU15 – 15 EU Member States before May 2004 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the UK)

NMS – 12 new Member States that joined the EU in May 2004 (Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia) and in January 2007 (Bulgaria and Romania)

EU25 – 25 EU Member States, including the EU15 and the 10 NMS that joined in 2004

EU27 – 27 EU Member States, comprising the EU15 and the 12 new Member States

Country codes

Country code	Country name
AT	Austria
BE	Belgium
BG	Bulgaria
CY	Cyprus
CZ	Czech Republic
DE	Germany
DK	Denmark
EE	Estonia
EL	Greece
ES	Spain
FI	Finland
FR	France
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia
MT	Malta
NL	Netherlands
PL	Poland
PT	Portugal
RO	Romania
SE	Sweden
SI	Slovenia
SK	Slovakia
UK	United Kingdom

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