



2004 REPORT ON SOCIAL PARTNER ACTIONS IN MEMBER STATES TO IMPLEMENT EMPLOYMENT GUIDELINES

European Trade Union Confederation*

**Union of Industrial and Employers' Confederations of Europe –
UNICE/UEAPME****

**European Centre of Enterprises with Public Participation and of
Enterprises of General Economic Interest**

**2004 REPORT ON SOCIAL PARTNER ACTIONS IN MEMBER STATES
TO IMPLEMENT EMPLOYMENT GUIDELINES**

5 March 2004

* The ETUC delegation includes representatives of the Eurocadres/CEC Liaison Committee

** UEAPME - European Association of Craft, Small and Medium-Sized Enterprises

Table of Contents

	Page
Foreword	3
I. Main trends	5
II. National actions to implement employment guidelines:	
• Austria	16
• Belgium	18
• Denmark	24
• Finland	29
• Germany	33
• Greece	40
• Ireland	42
• Italy	46
• Luxembourg	50
• Netherlands	53
• Portugal	58
• Spain	64
• Sweden	68
• United Kingdom	73

Foreword

Over the years, the social partners have contributed actively at both EU and national levels to definition and implementation of the European employment strategy (EES). European social partners support implementation of the EES. This is why they agreed in their joint work programme for 2003-2005 to report on social partner actions in Member States which are relevant for implementation of the European employment guidelines. This report follows on from this initiative announced in their work programme.

The primary responsibility for employment policy lies with Member States, but good involvement of social partners in the employment guidelines process is important in order to devise policies which allow for the smooth functioning of labour markets.

The social partners' report briefly describes how the national social partners were involved in preparation of the 2003 national action plans (NAPs) after synchronisation and streamlining of the Broad Economic Policy Guidelines and the European employment strategy.

It also provides an overview of key joint and/or unilateral initiatives of social partners relevant for the priorities identified in the European employment guidelines. These priorities are classified under the three following overarching objectives: full employment, improving quality and productivity at work, and strengthening social cohesion and inclusion.

The present report does not present an exhaustive or an exemplary list of actions taken by social partners in the Member States in the areas covered by the European employment guidelines.

The report has to be read against the background of worrying trends: increasing unemployment and decreasing employment. The remaining difficulties in Europe's labour markets, which can translate into restructuring, confirm that the Lisbon objectives remain a priority and the urgent need to restore conditions for realising better economic growth and more jobs.

The initiatives relating to lifelong learning are excluded since they are part of the second annual report of the follow-up to the framework of actions for the lifelong development of competences and qualifications.

The present report is presented to the European Spring Council 2004 as part of the social partners' contribution to implementation of the European employment strategy and the Lisbon strategy.

Next steps

Like this year, the 2005 report will provide an overall picture of social partner actions, which are relevant for implementation of the European employment guidelines. It will also include national reports by social partners in the ten new Member States. The report will also seek to give an insight into social partners' initiatives relevant for the key recommendations to their country.

Moreover, the following forthcoming initiatives foreseen in the work programme of the European social dialogue 2003-2005 are also directly relevant for implementation of the European employment guidelines and seek to contribute to achieving the Lisbon objectives:

- Annual follow-up reports on the framework of actions for the lifelong development of competences and qualifications
- Preparation of a framework of actions on gender equality
- Ongoing negotiations on stress at work
- Seminar to discuss case studies and explore possible joint actions relating to the ageing workforce
- Seminar aiming at a joint opinion on undeclared work

Chapter I - Main trends

National social partners from fourteen countries (Austria, Belgium, Denmark, Finland, Germany, Greece, Ireland, Italy, Luxembourg, Portugal, Spain, Sweden, Netherlands and United Kingdom) reported on their involvement in the preparation of national action plans for employment and on key initiatives taken at national, local, sectoral and company levels which contributed to implementation of the European employment guidelines. These national reports can be found in Chapter II.

The main trends to emerge from these reports are summarised below.

A/ Social partner involvement

Social partners were usually consulted during the preparation of the NAPs. In most countries, employers and trade union organisations submitted separate comments (Italy, Portugal, Spain, Netherlands, United Kingdom) whereas in some (Belgium, Denmark and Sweden) joint social partner contributions were included as an integral part of the NAP in a summarised version and added as annexes. In Germany and Greece the involvement of social partners improved compared with previous years, and in Portugal also to a certain extent.

In terms of quality, the consultation was seen as too superficial in several cases due to the absence of discussions with government (Austria), the lack of in-depth discussions on policy content (Denmark) or insufficient time for consultation (Belgium, Finland, Netherlands).

Lastly, ways of involving of social partners did not change significantly with the synchronisation and streamlining of the Broad Economic Policy Guidelines (BEPG) and the European employment strategy. No link can be perceived between social partner involvement in constructing the NAP employment and drawing up the national reports on implementation of BEPG, with the exception of Luxembourg where social partners delivered an opinion on BEPG. In Belgium, social partners explicitly asked to be involved, in both preparation of BEPG and evaluation of their implementation.

• Good governance and partnership in implementation of the employment guidelines

The issue of governance and partnership in implementation of the guidelines was addressed in the reports of four countries. The initiatives related to management of employment policy at territorial level (Spain), social partner involvement in regional and local bodies dealing with labour-market policy (Denmark), strengthening local partnerships in implementing the European employment guidelines (Sweden) and stronger involvement of regions (Italy).

An overview of social partner involvement is provided in the table below.

		1/ Involvement of social partners in preparation of NAPs			
		Did the government ask social partners' opinion on draft NAPs?	Did government take social partners opinion on draft NAPs into account?	Were social partners involved in drafting parts of NAPs?	Did synchronisation of BEPG with EES impact on the involvement of social partners in preparation of NAPs?
Countries	Austria	Yes	No specific follow-up	No	No
	Belgium	Yes	Yes	Yes	No, but social partners asked to be involved in the BEPG process
	Denmark	Yes	Social partners regret lack of strategic discussion with government	Yes	-
	Finland	Yes	No	No	-
	Germany	Yes. Social partners welcome improved involvement	Good impact on the wording and limited impact on the content	No	No
	Greece	Yes	No, but newly established Employment Committee could improve cooperation	No	No
	Ireland	Yes	Input welcomed, but difficult to make significant contribution due to short timeframes	No	No
	Italy	Yes, in particular for the chapter on social dialogue	No specific follow-up	No	-
	Luxembourg	Yes	Some impact	No	Yes
	Netherlands	Yes	Some impact, although documents arrived late	No	-
	Portugal	Yes	Important contributions not taken into account	No	No
	Spain	Yes	Different views on the impact	No	-
	Sweden	Yes	-	Yes	-
UK	Yes	Some impact	No	No	

B/ Key initiatives

The social partners described key initiatives taken at national, local, sectoral and company levels which contributed to implementation of the European employment guidelines. Most of these initiatives were taken jointly by employer and worker organisations. However, tripartite actions or relevant unilateral initiatives by employers only or trade unions alone were also reported.

Some guidelines tackle issues which traditionally belong to the social partners' area of responsibility at various levels in Member States. These areas have therefore given rise to the majority of the actions reported. However, even for the guidelines which are exclusively addressed to governments such as those on active and preventive measures for the unemployed and inactive, on job creation and entrepreneurship, on making work pay and on transforming undeclared work into regular employment, initiatives by social partners were reported.

An overview of these key initiatives is provided in the table below.

2/ Key initiatives with regard to the implementation of each European employment guideline												
		1 Active and preventive measures for the unemployed and inactive	2 Job creation and entrepreneurship	3 Address change and promote adaptability and mobility	4 Promote development of human capital and lifelong learning	5 Increase labour supply and promote active ageing	6 Gender equality	7 Promote the integration of and combat the discrimination against people at a disadvantage	8 Make work pay through incentives to enhance work attractiveness	9 Transform undeclared work into regular employment	10 Address regional employment disparities	
Countries	Austria	X		X	Initiatives included in European social partners' second annual report of the follow-up to the framework of actions for the lifelong development of competences and qualifications.	X		X				
	Belgium			X		X	X				X	
	Denmark	X		X		X	X				X	
	Finland	X		X		X	X					
	Germany	X	X	X		X	X					
	Greece	X		X								
	Ireland		X	X		X	X	X				
	Italy	The reported initiatives covered a broad spectrum of guidelines										
	Luxembourg		X	X		X	X	X				
	Netherlands	X		X		X	X	X				
	Portugal	X	X	X		X	X	X			X	
	Spain	X		X		X	X	X				
	Sweden			X		X	X	X		X	X	
UK			X	X	X	X	X	X				

- **General measures for employment**

Bilateral and tripartite initiatives aimed at supporting employment and economic development through a comprehensive set of measures were reported at national level or regional level in six countries.

Concerning bilateral initiatives at national level, a collective agreement was signed in Finland and Belgium and a "Pact for development" concluded in Italy. In Belgium, a tripartite agreement including measures to create more jobs was prepared at national level, and bilateral or tripartite pacts for employment at regional level. In Spain, social partners signed an Interconfederal Agreement for Collective Bargaining containing common criteria for collective bargaining at national, provincial, regional and company levels on a wide range of labour-market-related issues. In the Netherlands, the social partners and the Dutch government reached an agreement on measures to support economic recovery and increase employment. Discussions in view of a tripartite Social Pact for Competitiveness and Employment are at an early stage in Portugal.

The key issues corresponding to specific European employment guidelines in these national initiatives are summarised below.

1. Active and preventive measures for the unemployed and inactive

In eight countries social partners reported initiatives addressing the aspects dealt with within this guideline.

The Dutch national social partners advised bargaining partners at sectoral and company levels to intensify measures aimed at increasing the employment of young people.

In Austria, social partner actions focused on conditions for placement in specific jobs within the unemployment insurance system and on a better vocational training of unemployed for re-entry into the labour market. Greek social partners are contributing to a fund used to combat unemployment in five important areas in Greece.

In Germany, increasing the efficiency of job-search assistance was among the topics discussed during several conferences on modernisation of the labour market organised by the employer organisation.

In Denmark, both trade unions and employers published studies on opportunities for the unemployed return to the labour market.

Unilateral or joint recommendations were made to the governments regarding improved functioning of the Public Employment Services in Spain, Finland and Portugal.

2. Job creation and entrepreneurship

The bilateral or tripartite initiatives mentioned above under the section "General measures for employment" also include measures in favour of job creation and entrepreneurship.

In addition, specific initiatives within the framework of this individual guideline were reported by employer organisations in four countries (Germany, Ireland, Luxembourg and Portugal).

In Germany and Luxembourg the initiatives aimed at fostering entrepreneurial spirit among school pupils.

3. Addressing change and promoting adaptability and mobility in the labour market

Social partners from thirteen countries reported initiatives relevant for implementation of this guideline.

The reported initiatives on addressing change and developing adaptability focused mainly on the following issues: working time, flexible forms of work, modernisation of work organisation, and health and safety.

In Spain all these aspects are being addressed in collective agreements at various levels.

Regarding working time flexibility, an important category of measures consisted in introducing working time accounts (Sweden, Finland, Germany and currently discussed in Luxembourg). In Sweden, the allocations to the account (0.5% of annual payroll on average) could be used as paid leave, extra pension or cash benefits, or for training purposes in the German chemicals sector.

Collective agreements dealing with working time were concluded at national level (Denmark, Finland, Sweden), sectoral level (Austria and Germany) or company level (Germany).

Initiatives aimed at developing flexible work contracts were also taken in the context of the implementation of the guideline on adaptability. They are also relevant for the guidelines on active ageing and gender equality.

Actions to follow up the European social partners' voluntary agreement on telework have been reported in Luxembourg, Netherlands, Spain and United Kingdom. It is worth noting that more actions in this respect are being taken in other countries. However, they are part of a separate monitoring exercise on the follow-up to the European framework agreement on telework and are therefore not systematically mentioned in the present report.

Specific initiatives to increase labour law flexibility and promote modernisation of work organisation were taken in Germany by the German employer organisation (campaign "BDA-pro-job.de"). In Greece, the employers' and workers' organisations played a decisive role in the formulation of a new law for the modernising the Greek

labour market, by proposing measures aimed mainly at a better match between training and the competences needed on labour market.

Initiatives to deal with the specific situation of companies faced with economic difficulties have been taken in Germany, for example by shortening weekly working time in collective agreements to safeguard jobs.

In Denmark, the trade unions emphasise the importance of finding ways of reducing the risk of long-term unemployment, notably through labour-market restructuring agreements. In Germany, the central trade union organisation and its affiliates developed counselling for workers and their representatives in companies facing financial difficulties.

The issue of work organisation appears to be addressed mainly through company case studies. A set of good practice examples have been produced by the Confederation of British Industry and the UK Work Organisation network to explain how companies have organised their work process to improve productivity and remain competitive. In the Netherlands, employers and employees represented in the Dutch Labour Foundation are working on a recommendation intended to guide bargaining partners and companies towards collective measures aimed at increasing productivity and encouraging innovation.

Addressing aspects of work organisation, social partners in Austria and Belgium concluded agreements with the aim of reducing the difference between the employment status of white- and blue-collar workers.

In the area of health and safety, the initiatives presented aimed mainly at preventing and combating work-related diseases and accidents and reducing absences due to illness. The following means were reported:

- discussions with and recommendations to the government (Denmark, Finland, Portugal, Spain),
- employers' action plan to combat work accidents (Luxembourg),
- training to prevent back injuries (Luxembourg) or training courses for officials, employers and employees (Sweden),
- dissemination of good practices (Finland, Netherlands) and promotion of health and safety issues (Greece);
- agreements at sectoral level (Denmark, Spain, Netherlands).

4. Promote development of human capital and lifelong learning

The initiatives relating to lifelong learning are excluded since they are part of the second annual report of the follow-up to the framework of actions for the lifelong development of competences and qualifications.

5. Increase labour supply and promote active ageing

Social partners in ten countries reported initiatives contributing to implementation of this particular guideline.

The initiatives included under the section "General measures for employment" or related to guideline 1 (Active and preventive measures for the unemployed and inactive), guideline 7 (Promoting the integration of people at a disadvantage in the

labour market), guideline 6 (Gender equality), guideline 8 (Make work pay) and guideline 9 (Transform undeclared work into regular employment) are also relevant for this guideline.

The cross-sectoral agreement at national level in Belgium and agreements at local level in Denmark dealt with general measures to keep older workers on the labour market. Agreements at sectoral level addressed the issue of old age flexibility in Austria, pre-retirement in Belgium, part-time for older workers in Luxembourg as well as in Germany following the institution of a statutory right to part-time work by legislation.

Other key initiatives were:

- recommendations to the government on the framework conditions to be put in place in order to keep older workers at work (Belgium, Finland, Netherlands);
- dissemination of good practices, exchange of experiences and awareness-raising campaigns regarding the employment of older workers (Austria, Germany, Netherlands);
- unilateral or joint reports and surveys by social partners on the situation of older workers on labour markets (Denmark) and age discrimination (United Kingdom);
- implementation of strategies to improve working conditions for older workers and age management strategies at company level (Germany, United Kingdom);
- design of mentorship schemes (older workers training younger workers) and of new career options for employees in physically and mentally demanding occupations (Sweden).

6. Gender equality

Actions relevant for implementation of this guideline were reported by social partners in eleven countries.

The issue of gender pay gap appears to be a concern in many countries. Analysis in view of identifying the causes underlying this gap were conducted jointly by the social partners in Denmark and Spain and by the trade unions alone in Sweden. In Luxembourg, seminars for evaluation of pay as a function of job classification were offered separately by employers and trade-union organisations to their members.

In Germany, an initiative involving social partners from trade and industry (TOTAL EQUALITY Award) aimed at promoting, at company level, women's skills, responsibility, training and remuneration according to performance and on an equal rights footing.

Aspects of gender equality and reconciliation of work and family life were addressed in collective agreements at various levels in Belgium, Denmark, Finland, Netherlands, Spain and Sweden. In the Netherlands, 89% of all major collective agreements include childcare agreements and the number of childcare places created by companies has increased exponentially. In Spain, in the framework of the Interconfederal Agreement for Collective Bargaining the factors impeding gender equality were identified. An assessment of the efficiency of the collective agreements regarding the promotion of equal opportunities between men and women was conducted and a list of best practices was drawn up and transmitted to negotiators at various levels.

In some countries (Germany, United Kingdom) employers and trade union organisations were involved in explaining to working parents their rights guaranteed in the existing legislation.

Finally, counselling for companies and workers on how deal with sexual harassment is given in Luxembourg.

7. Promote the integration of and combat the discrimination against people at a disadvantage in the labour market

Social partners from ten countries reported initiatives relevant for implementation of this guideline.

The situation of target groups experiencing difficulties in the labour markets is addressed in collective agreements at various levels in Belgium.

In the United Kingdom, employers and trade unions organisations participate actively in the development of national strategies for integration of disadvantaged groups. Also in the United Kingdom, the employers' organisation for local government was involved in the development of an "Equality Standard" to enable local authorities to mainstream gender, race and disability into council policy and practice at all levels.

In Denmark, social partners are closely monitoring progress towards the goal of having 3.5% of state employees employed within an inclusive labour market.

Regarding the initiatives related to employment of people of disability, the approaches are wide: sharing of best practices in Austria, quota of the employed workforce in the Danish public sector and recommendations for government policy in the UK.

The reported initiatives regarding integration of immigrants into the labour markets and combating ethnic discrimination took place mostly at national level and often included the participation of public authorities (Belgium, Denmark, Netherlands Sweden, United Kingdom).

8. Make work pay through incentives to enhance work attractiveness

Initiatives related to this guideline were reported for one country, i.e. the United Kingdom, where the social partners participate actively on the development of strategies on welfare to work.

9. Transform undeclared work into regular employment

Actions in this field were reported by social partners in three countries (Portugal, Sweden and United Kingdom).

In the United Kingdom, employers and trade unions organisations were actively involved in the High Level Steering Group on Illegal Working which seeks to eradicate illegal working. The Swedish trade unions produced a report on how to combat undeclared work.

10. Address regional employment disparities

Initiatives at regional/local levels contributing to combat regional disparities in term of employment and unemployment rates were reported by social partners from five countries.

In Belgium and Sweden regional/local action plans are being drawn up. In Denmark, Italy and Portugal specific measures have been agreed to address regional labour-market problems.

Chapter II – National reports

Austria

Organisations:

- Workers: ÖGB (Austrian Trade Union Federation) and AK (Austrian Chamber of Labour), members of ETUC
- Employers: IV (Federation of Austrian Industry), member of UNICE, WKÖ (Austrian Federal Economic Chamber), member of UEAPME

1/ Involvement of social partners

The Social Partners were invited to contribute written documents to the development of the National Action Plan. By contrast with the year 2000 and before, no further meetings for the discussion of the creation of the Action Plan followed.

The Austrian Social Partners have a legal right to send their representatives into the tripartite board of the Austrian Labour market Service organisation. Via that participation there is continuous involvement in executing labour market policy and in that connection in the National Action Plans.

The synchronisation between the Broad Economic Policy Guidelines und the European Employment Strategy until now had no influence on the involvement of the Social Partners. A discussion on the necessary streamlining of the Broad Economic Policy Guidelines and European Employment Strategy has not so far taken place.

2/ Key initiatives

At national level

Within the framework of a Labour Market Reform Package the Austrian Social Partners have successfully negotiated the conditions for placement in specific jobs within the unemployment insurance.

The Austrian Social Partners were directly engaged in important initiatives for the integration of people with disabilities ("Sensitec"- an integration Project; www.arbeitundbehinderung.at-an webportal with best practices of successfully employed people with disabilities).

For the longer stay of older employees in the workplace the Social Partners created a special website with examples of best practice ([www. arbeitundalter.at](http://www.arbeitundalter.at)).

At sectoral level

A certain number of collective agreements were concluded on flexibility on working time, old age flexibility, short-term work, paid time for qualification and working time reduction (from 40 to 38.5 hours). The new collective agreement in the electronics industry deals with a single wage model for white- and blue-collar workers and a flatter income scale.

At regional level

At the regional level the Social Partners are involved in the labour market policy as at the federal level. In particular, they are involved in the enforcement and development of implacement-models (for a better vocational preparation of unemployed for re-entry into the labour market).

At company level

For example, within the largest Austrian steel producer VOEST-Linz, the "LIFE" project was initiated with the aim of optimising the working conditions for the older workforce.

Belgium

Organisations

- Trade unions: FGTB-ABVV (General Federation of Labour in Belgium), ACV-CSC (Confederation of Christian Trade Unions), and CGSLB (General Central of Liberal Trade Unions of Belgium), members of ETUC
- Employers: VBO-FEB (Federation of Belgian Enterprises), member of UNICE and UNIZO (Union of Self Entrepreneurs), member of UEAPME

1/ Involvement of social partners

In the framework of preparation of NAP 2003, the involvement of the social partners at federal level consisted in submitting to the Minister of Employment a contribution drawn up in the National Labour Council which sets out the main measures and initiatives developed in the framework of the European Employment Strategy. A summary of this contribution was incorporated in the NAP and the whole of the text was attached for submission to the European institutions.

The social partners at regional level also had the possibility to submit contributions directly.

Given the recent elections and the change of government, the time available for preparing the NAP was considerably shorter in 2003, with the consequence that it was not possible to apply the procedure implemented in 2002 and 2001, in close cooperation with the representatives of the Minister of Employment at the time.

In 2002, this procedure enabled the Council to:

- Carry out a preliminary prior examination of the coordinated provisional version of the various sections of the NAP, the draft texts having been circulated as soon as they had been drafted by the Minister of Employment's cabinet.
- On its own initiative and in a strictly informal framework, formulate wording proposals for parts of the NAP where the involvement of the social partners is particularly marked.
- Formalise this preparatory work in the framework of a formal opinion on the definitive draft NAP, prior to its adoption by the Council of Ministers.

At a meeting following adoption of the latest NAP, the Council received an undertaking from the new Minister of Labour and Pensions that this procedure will once more be applied for preparation of the next NAP in 2004.

b. Influence of streamlining and synchronisation between the Broad Economic Policy Guidelines and the European Employment Strategy

The Belgian social partners have stressed in the past the difficulty of integrating their work, closely linked to the rhythm for negotiation of cross-industry agreements,

which are held every two years, in a European process which each year generates new guidelines and recommendations for employment.

Accordingly, the Belgian social partners welcomed the modification made to the EES timetable, moving from an annual cycle to a three-year cycle. This new medium-term timetable seems to be more in line with their current work rhythm and more likely to give all players the necessary time to carry out the measures provided for in the framework of the employment strategy and to evaluate the effects.

Regarding the Broad Economic Policy Guidelines more specifically, the Belgian social partners have on various occasions underlined the need to be more closely involved in the design and follow-up of these guidelines.

BEPG constitute an essential instrument for pursuit of the Lisbon strategy, with which the social partners are now widely associated at all levels, and comprise an important element devoted to social and employment policies. However, their preparation and implementation are still characterised by total opacity and an absence of consultation of the social partners.

The National Labour Council and the Central Economic Council are the source of a number of proposals for promoting involvement of the social partners in the BEPG process in a concrete form, at both European and Belgian level.

At the stage of BEPG implementation, the Councils have expressed their wish to be informed in good time about government projects which fall within the province of these guidelines, and to be consulted on implementation of these projects. Lastly, they have asked to be involved in evaluation of the results which determine the BEPG for the subsequent year.

2/ Key initiatives

At national level

- **Cross-industry agreement of 17 January 2003**

The main planks of the social and employment policies to be pursued are defined in the framework of so-called cross-industry agreements, negotiated every two years by the social partners at the highest level.

These agreements now form part of the framework for European employment guidelines and the orientations agreed at the European summit in Lisbon for development of a knowledge-based society for all. The issues addressed in the last two cross-industry agreements are closely linked to the European Employment Strategy (EES), notably in the areas of continuing training, work organisation, reconciliation of work and family life, end-of-career arrangements or employment measures, in particular for maintained employment or placement of older workers, young people and other target groups.

The latest cross-industry agreement of 17 January 2003 which covers the years 2003-2004 is a direct follow-on from the previous agreement 2001-2002. It specifies and strengthens certain lines of action defined by the social partners in the earlier

agreement, whose concrete implementation on the ground depends in large measure on the sectors.

Very specifically, it can be pointed out that the latest cross-industry agreement comprises various measures for employment, notably:

- Recruitment plans

Proposals have been formulated on this point in order to pursue encouragement of employment, using the available funds (€ 71 million maximum) to execute the Plans plus 1, plus 2 and plus 3, as provided for in the government decision on simplification of recruitment plans.

It should be recalled that the social partners have been directly involved in simplification of recruitment plans, in particular by submitting specific proposals to the government (as provided for in the joint declaration of 29 March 2002 by the Minister of Employment at the time, L. ONKELINX, and the social partners).

- Older workers

On this point, the agreement comprises a proposal for reducing from 58 to 57 the age at which lower non-wage labour costs are applicable for older workers. It will be recalled that the system for reducing these costs for older workers was already included in the previous cross-industry agreement of 22 December 2000. This same agreement made provision for other measures targeting older workers (training, improved working conditions, end-of-career arrangements, etc.).

- Measures for other target groups

The social partners have asked for the rules governing the Rosetta recruitment plan to be modified so as to promote recruitment of certain worker categories whose position on the labour market is particularly fragile. These are:

- * workers of foreign origin aged less than 30 years
- * young people with the right to alternance-based training
- * the disabled.

For this last category, a particular appeal has been launched to sectors and companies.

- Two-year prolongation of the 0.10% employer contribution for groups at risk and 0.05% employer contribution to finance the flanking plan

- **Conference on employment**

The government agreement comprises the objective of creating 200,000 new jobs before the end of the current legislature. In order to define ways of achieving this goal, a conference on employment was organised in September 2003 by the government and the social partners.

This conference was an opportunity for the social partners to be directly involved in defining new lines of action for the employment strategy and to give their views on a number of new proposals that were put on the table by the government.

The agreements reached in this framework include the following:

- A reduction in non-wage labour costs worth € 920 million a year;
- Administrative simplification;
- Issue of corporate restructuring;
- Combating undeclared work.

In January 2004 Belgian Ministers came together for an extraordinary council of ministers. Measures designed to create an environment conducive to revival of the economy and improved employment were on the agenda, as were more specific issues.

They reached agreement on a number of measures which fall within the ambit of the employment guidelines. By contrast with the conference on employment, the social partners were not entitled to participate in definition of these measures. Nevertheless, by making known their respective catalogues of demands, they were able to contribute indirectly to their design:

- better follow-up of the unemployed ("Active and preventive measures for the unemployed and inactive");
- encouragement of and a better framework for home-working/tele-working ("Adaptability and mobility");
- more attractive work status for the self-employed, administrative simplification for businesses ("Job creation and entrepreneurship");
- work bonus and guaranteed income ("Make work pay");
- combating social fraud ("Transform undeclared work into regular employment").

The government has also programmed two super councils of ministers for March 2004 which will address a) sustainable development and quality of life, and b) social security. It finally announced its intention of discussing industrial policy in December.

At sectoral level

The sectors play a major role in execution of certain points in the last two cross-industry agreements, notably reconciliation of work and family life or modernisation of work organisation.

In particular, the latest cross-industry agreement invites the sectors:

- To examine "all the possibilities already included in collective labour agreement 77 with a view to securing the best possible reconciliation of work and family life without impeding the functioning of companies". An evaluation is planned for end-2004.

- With a view to aligning the status of worker and employee closer more closely on each other, to scrap the first two waiting days and, for workers with more than fifteen years' service, also the third waiting day. The sectors themselves will determine the scale of the associated cost and how it is to be applied in pay standards.

This same agreement extends for 2003 and 2004 the possibilities contained in sectoral collective labour agreements for early retirement.

The provisions relating to the sectors in the latest cross-industry agreement complement those contained in the cross-industry agreement of 22 December 2000 regarding the area of reconciling work and family life, promotion of the quality of work, worker mobility and flexibility.

In the contribution to the PAN submitted to the Minister of Labour, the National Labour Council called for organisation of better monitoring of the progress of these initiatives developed by the sectors, in part to gain a clearer picture of the degree of realisation of the employment strategy on the ground, and in part to ascertain an exact measurement of the input from the social partners to the European Employment Strategy.

At regional level

The social partners play an important role in the arrangements implemented by the various federal bodies.

In Flanders, a regional action plan (RAP) drawn up each year by the Flemish government and the social partners in the framework of the European Employment Strategy constitutes the Flemish contribution to the national action plan.

The substantive discussion that the social partners have held on the guidelines illustrates the central role of the social partners in Flemish employment policy. The main objectives of Flemish socio-economic policy were laid down in the Vilvoorde Pact that the Flemish government concluded in 2001 with the Flemish social partners. The latter also make an important contribution to employment policy through an employment agreement concluded every two years.

In Brussels region, the social partners have been involved since 2001 in the European strategy through the Economic and Social Council which regional action plan for employment 2003.

Since 2002, the social partners have been invited to submit a contribution drafted in the form of an opinion on the existing arrangements and new measures announced.

Nevertheless, they have expressed a willingness to move towards concrete cooperation projects and commitments. The Social Pact for Employment in Brussels is an example of how this willingness has been made a reality. Its objective is to increase the employment rate in Brussels by strengthening the economic and social dialogue and joint determination of contributions.

In the German-speaking community, the government and the social partners recently evaluated and extended the "Community Pact for Training and Employment". This

pact is at the same time an instrument for strategic coherence, monitoring and evaluation of actions defined as having priority. In particular, it allows articulation and transposition of European, national and community priorities.

In the Walloon region, the social partners have concluded with the government, in the framework of CAWA, a charter for the five sectors which are motors for development of the region, i.e.: training, mobility, enterprise development, administrative simplification and quality. The social partners are also involved at all levels in the employment-training policies implemented.

At company level

When organised at this level, the social dialogue enables companies to refine in a collective labour agreement the agreements reached at cross-industry and sectoral level. However, a catalogue of actions taken at company level in the framework of the European Employment Strategy is not available at the present time.

Denmark

Organisations

- Trade unions: LO (Danish Confederation of Trade Unions), FTF (Salaried Employees' and Civil Servants' Confederation), AC (Danish Confederation of Professional Associations), Danish Central Federation of State Employees' Organisations (CFU), members of ETUC and Ledernes Hovedorganisation (The Danish Association of Managers and Executives), member of CEC
- Employers: DA (Confederation of Danish employers), member of UNICE; KL (Local government Denmark), Amtsrådsforeningen (Committee of Danish Regions), and Personalestyrelsen (State Employer's Authority), members of CEEP

1/ Involvement of social partners

The Social Partners in Denmark have since 1999 participated in the elaboration of the yearly Danish NAPs reports. In the many reports in recent years the Social Partners in the private sector and public sector have had their contributions to the reports added as annexes.

The Danish NAP 2003 had three contributions from the Social Partners: one from the private sector, one from the local public sector and one from the state sector. This custom is in many ways an appropriate one. Since the overall responsibility for employment policy lies with the government - it allows the Social Partners to demonstrate how they have contributed to the overall goal of reducing unemployment and increasing employment in line with the European employment guidelines.

The degree of involvement of the social partners could be improved. Most important for the social partners is the lack of political strategic discussions with the government on future initiatives and challenges. The social partners are looking forward to the recently established national Employment Council enhancing our involvement and strategic discussions on employment policies, especially in relation to the government.

At national level

The Social Partners play a significant part in employment policy. In councils and committees, the Social Partners contribute to prioritisation and elaboration of the education and labour market policy as well as to improvement of working environment standards at both national and local level.

The Social Partners are directly involved in the actual definition of goals for implementation of the priorities in the employment guidelines. The involvement of the Social Partners in the employment policy is an integrated part of the Danish model.

Furthermore, the Social Partners contribute to supporting the employment policy through collective agreements.

2/ Key initiatives

At sectoral level

Municipal and county sector

The local Social Partners find that Danish employment policy should have a high level of ambition.

The Danish National Action Plan for Employment 2003 should thus set concrete targets for the development in the employment rates on the basis of the participation rates.

The local social partners contribute to the employment policy through the conclusion of collective agreements and other agreements. Agreements on competence development, policies for older workers, work organisation, etc, are essential prerequisites if workplaces and wage earners are to live up to the adaptability requirements which characterise today's working life, especially in the public sector. The partners find that the examples given in the national action plan reflect the significance of collective agreements as to the adaptability of the labour market.

In this way the local Social Partners have contributed to:

- Promoting transition and mobility on the labour market.
- Expanding safety and health and work organisation.
- Promoting active ageing.
- Increased gender equality.
- Promoting integration and combating discrimination.
- Promoting social inclusion.

State sector

- **On "Address change and promote adaptability in work"**

In view of collective bargaining in 2005, the social partners are currently analysing the possibilities for modernisation and simplification of collective agreements, including rules concerning working time.

The social partners have been promoting the aim of reducing the absence due to illness in the state sector, especially through providing the state institutions with inspiration and methods for handling absence due to illness and through focusing on the balance between work and family life, and on workplace initiatives for health enhancement.

- **On "Increase labour supply and promote active ageing"**

In accordance with the state's new personnel and management policy (presented in June 2003), a specific initiative is skills enhancement for senior citizens. The purpose of this initiative is to ensure that older staff members possess the skills to solve future tasks, and to improve the possibility of retaining older staff members longer at the workplaces.

- **On “Gender equality”**

Gender equality is supported, among other initiatives, by the establishment of a network for female managers in the state sector.

On “Promote the integration of and combat the discrimination against people at a disadvantage in the labour market”

The social partners have been following closely the development of the state institutions’ social responsibility (social chapter in the state sector). The goal of 3.5 percent of state employees to be employed within inclusive labour market was fulfilled in 2003. The development will be monitored continually.

The State Employer’s Authority has launched different initiatives in order to promote the integration of ethnic minorities in state institutions. The purpose of the initiatives is to assist state sector institutions in fulfilling the government’s goal that immigrants or the descendants of immigrants from other countries should amount to 3.5 percent of the state sector workforce.

Private sector

- **Analysis on active ageing**

It continues to be a significant challenge for Denmark to maintain and increase participation rates, and especially to raise the participation rates for refugees and immigrants and older workers. In relation to older workers, the partners have made an analysis with different approaches.

LO has published “With a view to Employment” which has a special focus on the opportunities of the unemployed to get into employment depending upon their age.

As a follow-up to this analysis, LO made a further analysis that broke down the unemployment risk of the older workers on specific age levels. Furthermore, it was examined whether the occupational status had any bearing on whether the unemployment risk of older workers was more significant than that of young persons.

DA has contributed to the employment policy debate generally, and in particular the discussion on older persons and the labour market, with the publication of a report called “Older persons and the labour market” which focuses on persons of 50 years and more in relation to the labour market.

LH has contributed to the debate by publishing a survey on how Danish managers and enterprises look at early retirement from the labour market. The survey focuses partly on the managers’ own wishes and expectations for their retirement from the labour market, and partly on the enterprises’ view of older employees.

- **Strengthening local and regional employment measures**

To support a joint understanding of challenges as regards employment, LO and DA have cooperated on identifying some of the most important measures and objectives of regional and local employment action in the coming years.

The joint deliberations of LO and DA have been summarised in two agreements of May 2003 aimed towards strengthening the basis of the representatives of the social partners in the 14 regional labour market councils and in the approximately 150 local coordination committees.

The two agreements vary and focus on different parts of the employment measures so that they are aimed at the actual problems of the various regional and local actors.

The agreements include a number of specific recommendations on how to deal with the various focus points. The agreements are expected to contribute to making it easier to face the challenges in connection with local and regional action.

- **Integration of refugees and immigrants**

The four-party agreement between the government, the social partners and the (county) municipal parties on a new integration policy of May 2002 has created huge challenges for local measures in the field of employment policy for integration of refugees and immigrants on the labour market.

In May 2003, LO and DA concluded an agreement on how to deal with some of the most important challenges.

- **Action areas in the field of safety and health at work**

The social partners are of invaluable importance to measures in the field of safety and health. This applies at national as well as at sector and enterprise levels. The social partners have made an agreement with the government on prioritisation of the measures in the period 2002-2005 and the partners have also submitted recommendations on the structure of the future system of safety and health in the summer of 2003.

- **Gender equalities**

In the summer of 2002, the Danish Employers' Confederation (DA) and the Danish Confederation of Trade Unions (LO) agreed to cooperate on an analysis work with a view to establishing a common analytical reference framework for the discussion on equal pay.

The purpose of DA and LO's joint report was to:

- implement common analyses of the causes of wage differentials between men and women, and
- create a common standard for equal pay analyses, which can be used for future monitoring.

The analysis, which is the most comprehensive one so far, on the causes of wage differentials between women and men, was published in August 2003.

The analysis report quantifies a number of factors which have a decisive impact on earnings and thus maps out the contributions of the various factors to the major wage differences between women and men. The factors, which are included in the

analysis, are: work function, education/training, occupational sector, job shifts, geographical location and children.

The report shows that the causes for wage differentials between women and men are to be found in the strongly gender-segregated labour market.

LO and DA hope that the analysis can start a debate on wage formation on the labour market and contribute to the labour market and training policy discussion. This will underpin the joint efforts of the LO and DA to promote a development towards a more equal labour market.

Finland

Organisations

- Trade unions: SAK (Central organisation of Finnish trade unions), STTK (Confederation of Salaried and Technical Employee Organisations) and AKAVA (Confederation of Unions for Academic Professionals), members of ETUC
- Employers: TT (Confederation of Finnish Industry and Employers) and PT (Employers' Confederation of Service Industries in Finland), members of UNICE

1/ Involvement of social partners

On 21 May 2003, the Committee on Labour Policy (Työpolitiikan neuvottelukunta) appointed a fixed-term 'NAP division' (NAP-jaosto) to participate in the NAP preparation process. The Committee on Labour Policy is a forum where the social partners - the Central Organisation of Finnish Trade Unions (Suomen Ammattiliittojen Keskusjärjestö, SAK), the Finnish Confederation of Salaried Employees (Toimihenkilökeskusjärjestö, STTK) and the Confederation of Unions for Academic Professionals (AKAVA) for trade unions and the Confederation of Finnish Industry and Employers (Teollisuuden ja Työnantajain Keskusliitto, TT) and the Employers' Confederation of Service Industries (Palvelutyönantajat, PT) for employers - can debate employment policy, along with the Federation of Finnish Enterprises (Suomen Yrittäjät), the Central Union of Agricultural Producers and Forest Owners (Maa- ja metsätaloustuottajain Keskusliitto, MTK) and local authority representatives. The team of ministry representatives drafted the first version of the Plan, which was distributed to the NAP division on 8 September for discussion. The division held two meetings in September. On 24 September 2003, the Committee on Labour Policy accepted the NAP.

The 2003 NAP is intended to be a medium-term strategy, and it relies heavily on the government's programme. It is regarded mainly as a presentation of the government's policies to the European Commission. The government's policies and the plans of the various ministries have been decided elsewhere. They are not negotiated or agreed upon in the NAP process, and the social partner organisations may not necessarily have approved them. On the other hand policy programmes related to employment are prepared in tripartite working groups and committees or discussed in consultative tripartite boards, and in this way the social partners are involved in formulating the government's employment policy. The aim is to decide on action that all the parties can approve employment policy programmes and decisions.

In the 2003 NAP, there is no section written by the social partners. The partners gave their comments on the draft version of the NAP within the Committee on Labour Policy's NAP division. The social partners do not sign the Finnish NAP.

A general feeling among social partners is that there was not enough time to introduce new initiatives during the 2003 NAP process. The Employment Guidelines

and recommendations cover a broad range of questions related to employment and working life and on many of them social partners have differing views.

2/ Key initiatives

At national level

In recent years, extensive incomes policy agreements have been concluded in order to support positive economic and employment development by reinforcing the stability and predictability of the economy. Agreements have been put in place to curb inflation, improve the stable growth of purchasing power and maintain competitiveness. These goals are supported by tax reductions and governments measures to boost employment. These agreements also include clauses on the development of working life and lifelong learning.

On December 15, 2002, the social partners concluded the incomes policy agreement for 2003-2004. The agreement includes several measures related to the quality of working life, occupational skills and competence, working hours, and the reconciliation of work and family life, as follows:

- The need for fixed-term employment relationships in both the private and the public sector will be assessed, and a study on the number of and reasons for fixed-term employment relationships will be conducted if so agreed. The social partners will also provide information and training in the fields with the largest numbers of fixed-term employees.
- In order to improve occupational safety and health, a joint information and training campaign on the new Occupational Health Care Act and Occupational Safety and Health Act will be launched.
- The parties will develop workplace-specific models in order to promote good occupational health care practices.
- Unfeasibly short shifts should be avoided, and shifts under four hours in length should not be used unless the employee's needs or other weighty reasons so require.
- A recommendation will be drawn up on long-term individual working hour arrangements. The aim is to support the productivity and competitiveness of companies and workplace communities and to promote consideration for employees' working hour needs, job satisfaction and welfare. These goals can be furthered by introducing a job account or time bank system for the long-term evaluation of working hours. Agreement will be reached on reform of the Act on Cooperation in Companies.
- Measures will be worked out to promote the reconciliation of work and family life, such as partial care leave, information campaign, working hours experiments and studies.
- The parties will continue to develop working life methodically through tripartite development programmes.
- Reform of the Act on the Supervision of Occupational Safety and Health and Appeal in Occupational Safety and Health Matters has begun following a motion from the central labour market organisations.

In connection with the incomes policy agreement the social partners agreed on a joint statement on employment and labour policy. This is based on population trends in the near future, which will result in a fall in labour supply and an increase in labour demand. The statement notes that Finland's economic growth must be

based on high competence and increasing employment and productivity. Raising the employment rate requires a growth-oriented economic policy and, consequently, more effective active labour market policy and sufficient resources. The main measures needed include the following:

- The effectiveness of active labour market policy in providing work for the unemployed on the open labour market and in ensuring the availability of competent workers must be improved. Sufficient resources must be guaranteed.
- Recruitment subsidies must include more obligations for the employer to provide something in return, and subsidy speculation and distortion of competition must be prevented, for instance by including skill-enhancing measures during subsidised employment.
- Apprenticeships, learning by doing and other tailored training based on the needs of working life should be developed and their volume increased. Labour market training for special fields and occupational groups with special training should take regional coverage into account and further centralised implementation across the geographical areas of individual Employment and Economic Development Centres.
- In order to promote occupational mobility, opportunities for both unemployed and employed persons to improve their occupational skills in tune with the needs of working life should be improved.
- In order to keep older employees at work longer, their special needs must be taken into account, and their competence and work capability must be supported at all stages. The experience of aged employees must be properly utilised at workplaces.
- Young people must be encouraged to finish their studies, and they must be helped to find employment thereafter. The exclusion of unemployed young people from society and from working life must be prevented through a wide range of measures.
- Employment office services for jobseekers and employers must be improved. Cooperation between authorities must be furthered and the division of labour clarified. The expertise of labour administration personnel must be developed, and sufficient appropriately allocated resources must be ensured.

The central labour market organisations representing employers and employees prepared a joint statement on the European employment strategy reform in summer 2002. The organisations expressed their commitment to the employment goals of the European Councils in Lisbon and Stockholm and considered the European Employment Strategy and its tripartite approach important. The organisations unanimously proposed the following development measures:

- The European employment strategy should be strengthened, simplified and streamlined with regard to the number of guidelines and objectives it covers. There should only be a few quantitative objectives. Horizontal objectives and overlap should be eliminated. The employment strategy should have clear areas of focus understood by all.
- The objectives and outlines should be strategic and general, and attempts to address employment policy procedures and measures in detail should be avoided.
- The harmonisation of the employment strategy with other similar EU processes should be improved; overlap should be eliminated and schedules harmonised.

- The strategic objectives of the employment guidelines should not be revised every year. The guidelines concerning current themes could be revised more often than the strategic objectives.
- Better qualitative methods of comparison should be developed, and theme-specific evaluations held between Member States interested in doing so. The dependability of statistical comparisons should also be improved.
- Overall integration of the social partners into preparation and implementation of the employment strategy should also be aimed at in future EU Member States.

Germany

Organisations

- Employers: BDA (Confederation of German Employers' Federations), member of UNICE, ZDH (Central Federation of German Craft), member of UEAPME
- Trade unions: DGB (Confederation of German Trade Unions), member of ETUC

1/ Involvement of social partners

In advance, the social partners were asked to submit examples of good practice and initiatives in the main areas of policy covered by the European Employment Strategy and the guidelines. After that, we - the social partners - issued written comments on the draft NAP (National Action Plan) and discussed it with representatives of the BMWA (Federal Ministry for Economic Affairs and Labour). The social partners managed to influence the wording, but only had rather limited success in altering the content.

This year, the whole process and especially the involvement of the social partners has improved immensely compared with previous years. We only had to contend with a single first complete draft of the NAP, so did not have to go through individual drafts produced by the various ministries involved in its production. Besides, the structure and therefore readability of the text itself has improved. Further discussions with the social partners and the relevant ministry (BMWA) this year proved highly productive.

The synchronisation of the Broad Economic Policy Guidelines and the European Employment Strategy did not impact on the social partners' involvement in the preparation of the NAP.

2/ Key initiatives

At national level

Employer projects

- **PROAGE - Facing the Challenge of Demographic Change**

Together, the Confederation of German Employers' Associations (BDA), the Bertelsmann Foundation, the Irish Business and Employers' Confederation (IBEC), the Danish Employers' Confederation (DA), and the Netherlands' General Employers' Association (AWVN) initiated the EU project entitled "PROAGE - Facing the Demographic Challenge". This project aims to promote mutual understanding and exchanges of experience in the field of employment and labour market policy as regards older workers. As an awareness-raising campaign the project is designed to sensitise all the relevant actors, i.e. national labour administrations, enterprises and older workers themselves to the need to promote active ageing, to keep older workers in active working life for longer, and to improve their employability in keeping with the need for skilled and qualified workers on the regular labour market.

Within three trans-national benchmarking seminars the project partners jointly developed strategies for improving the employment situation for older workers and devising methods of skills management for older workers in consultation with policymakers, the social partners, business representatives and academic experts. The final seminar was held in autumn 2003.

- **BDA-pro-job.de**

In its campaign "BDA-pro-job.de" BDA highlighted several topics which – from the employer perspective – are essential for promoting the development of a modern labour market constitution aimed at fostering areas such as adaptability or entrepreneurship. BDA arranged several conferences designed to inform people about and discuss the new approaches being taken. The topics covered include:

- injection of flexibility into labour law;
- preventing red tape;
- promoting a modern work organisation;
- boosting the efficiency of the assistance offered to job-seekers and other methods in order to increase incentives to work.

- **BDA@Bildung.de – BDA@Education.de**

Education provides the key to a successful career. The foundations of education are laid down in schools and further expanded in higher education and vocational training. However, the current state of our education system is alarming. In an effort to encourage debate about how to improve the current situation, BDA launched a political campaign entitled "BDA@Bildung.de - BDA@Education.de". The reasons for the current situation were duly examined and solutions were submitted.

Trade union projects

- **Transfer and training companies in case of redundancy**

Together with its member unions, the Confederation of German Trade Unions (DGB) has set up a counselling infrastructure on the transfer and training of personnel for companies facing economic difficulties. In addition to DGB's direct provision of advice for the companies concerned, efforts are being made to assist works councils in setting up so-called "Transfer-Sozialpläne" and support the social partners in the chemical industry to make more use of Transfer-Sozialpläne. IG Metall is also involved in many different ways in the establishment of job creation and training companies.

- **DGB action programme equal opportunities at work**

DGB and its affiliates intend with their action programme entitled "Equal opportunities at work" (which was launched in July 2003) to improve the situation for women regarding equal opportunities and also support the establishment of networks between works councils. The DGB has published a handbook on equal opportunities for works councils, focusing mainly on securing jobs in the context of company restructuring, bearing equal opportunities in mind.

- **DGB project: Demographic change and work organisation in tune with ageing**

DGB has been running this project since January 2003. The aim here is to make people more keenly aware of the consequences of demographic change, develop

new HR policy strategies vis-à-vis early retirement, come up with proposals for a form of work organisation that is in tune with ageing, and support works councils. In a guide entitled „Umdenken erforderlich – Vorbeugen sichert Beschäftigung bis zum Rentenalter“ (Need for a rethink - Preventive measures secure jobs until the age of retirement) the project documents practical examples for works councils and staff representatives at company level. Another brochure entitled „Förderung statt Ausgrenzung“ (Encouragement, not exclusion) is aimed directly at older workers who have been made redundant or find themselves faced with the threat of losing their job.

Joint social partner project

The Confederation of German Employers' Associations (BDA) and the Confederation of German Trade Unions (DGB) are members of the Advisory Council "Consequences of the Reorganisation of Parental Leave" by virtue of Articles 15 and 16 BErzGG"(consequences of the new arrangements governing parental leave under Articles 15 and 16 BErzGG", or Federal Child Benefit Act), which was created by the Federal Ministry for Family Affairs, the Elderly, Women and Youth (BMFSFJ). A representative survey using questionnaires will be conducted in Germany to gain an overview of the level of parents' knowledge of their rights and duties as set out in the BErzGG. The social partners are seeking to extend their cooperation in the areas of parental leave, part-time work and reconciling their family and working life.

At sectoral level

Employers' project

- **Coping with demographic development**

To foster the employment of older workers, VDMA (German Engineering Federation) and ZVEI (German Electrical and Electronic Manufacturers' Association) launched a project aimed at coping with demographic development. The project promoted concepts which – especially in SMEs - deal with preventing or mastering the demographic shift that is progressively altering the make-up of European society and the functioning of the EU economy. Within this framework, more than 70 enterprises were offered expert advice to help them develop human resources strategies and instruments which will help to cope with a situation characterised by a shrinking, ageing workforce.

Joint social partner projects

- **Collective agreement in the chemicals sector**

In May 2003 the German Chemical Industry Employers Federation (BAVC) and the union representing Germany's chemical workers, IG BCE, concluded a new sectoral collective agreement covering some 580,000 workers. Part of that agreement relates to working time. Workers in the chemical industry already have individual working time accounts. Before the new agreement was concluded, workers had been able to accumulate and use working time over a one-year period. The agreement now allows the balance on such accounts to be used over a longer period, provided that this arrangement is underpinned by a local agreement. Workers will also be able to use accumulated working time for training purposes. Among other things, overtime

and bonus payments can also be paid into these accounts. The agreement allows for work on Saturdays and even on Sundays in companies operating a shift system. The parties also agreed on specific provisions relating to skill levels which come into force on 1 January 2004. These provisions constitute a framework within which continuing vocational training measures can be agreed at local level. The costs of training within this framework are shared fairly between the employer and the worker.

- **Temporary reduction of weekly working time**

In recent years numerous sectoral collective agreements have been concluded and provisions incorporated into them that allow for the provisional reduction of weekly working time with a view to securing jobs, e.g. in sectors like banking and insurance, in the chemicals, printing, metalworking industry and in the public sector.

On 4 December 2003 a collective agreement for metalworkers in Berlin-Brandenburg was concluded to avoid dismissals. To secure jobs, weekly working time may temporarily be reduced from 37.5 to 32.5 hours or from 37 to 32 hours across the board for all the workforce or for parts of the company. The associated loss of income can be offset against collectively agreed special payments (Christmas bonuses and additional holiday pay).

- **Opening and hardship clauses**

Numerous recent collective agreements allow for deviations from collectively agreed provisions on pay provided that a company can prove that it is in financial difficulties, trying to avoid insolvency, particularly in SMEs (the so-called *Mittelstandsklausel*). These collectively agreed opening and hardship clauses concern such things as the suspension or postponement of pay rises, the lowering of collectively agreed basic pay, special annual payments and additional holiday pay or a lower basic pay for the long-term unemployed. A study conducted by the Hans Böckler Foundation's Institute for Economic and Social Sciences (WSI) found that such opening clauses exist in more than 80 sectors of the economy and bargaining sectors, and affect around 15 million workers. In the WSI's 2002 survey of works councils, 35% of works councils said that these collectively agreed opening clauses were in use at company level.

The collective agreement on pay and training allowances concluded for the metalworking industry in northern Württemberg and northern Baden on 15 May 2002 includes the following special arrangement: "Should the passing on of collectively agreed pay rises jeopardise the company's economic survival, the employers and works council may together appeal to the parties to collective bargaining to authorise a special arrangement." In such an instance, the parties to collective bargaining undertake to look into and adopt special arrangements for a limited period if doing so would help to keep the company up and running and retain jobs. The prerequisites for this are the submission of a concept for the company's rehabilitation and the exclusion of any redundancies determined by the company.

On 6 November 2003 the parties to collective bargaining in the metalworking industry in North Rhine-Westphalia concluded a collective agreement on safeguarding jobs. In it they undertook to implement special arrangements in

particularly serious situations, e.g. to stave off insolvency and thereby help to keep the company afloat and save jobs.

- **Collectively agreed progressive retirement**

To counter the trend towards people taking early retirement and help get unemployed people back to work, the *Altersteilzeitgesetz* (Progressive Retirement Law) of 1996 laid the foundations for a progressive retirement. By boosting the pay for older employees working on a part-time basis and the pension contributions provided that an unemployed person, qualified trainee or, in an SME, trainee is hired the Federal Employment Agency (BA) will reimburse the top-up amount paid by the employer. Many collective agreements, some of which contain improved conditions, have established workers' entitlement to progressive retirement by working part time. According to BA, in September 2003 there were roughly 180,000 workers making use of this regulation, around 70,000 of whom were receiving allowances from BA.

- **Safeguarding jobs**

On 27 August 1997 a collective agreement on safeguarding jobs was concluded for the food industry in North Rhine-Westphalia. Under that collective agreement any time differences arising from deviations from weekly working time may be credited to a working time account. Workers may then use up any credit on their accounts as required within a 12-month period. If they still have a positive balance on their account after 12 months, a 50% 'free time credit' is added. Furthermore, daily or weekly working time can be arranged flexibly within certain limits.

At regional level

Employer project

SCHULEWIRTSCHAFT - SCHOOLECONOMY

“*SCHULEWIRTSCHAFT – SCHOOLECONOMY*” is a joint network founded by the Confederation of German Employers' Associations (BDA) and the German Business Institute (IW) to improve cooperation between schools and businesses. Since 1965 this network has coordinated various activities, especially at regional and local level. Its main aims include fostering and intensifying the mutual exchange of information and experiences between schools and businesses. Its work involves:

- Establishing and developing quality management in schools;
- fostering entrepreneurial thinking and acting;
- developing concepts designed to facilitate career choices;
- economic planning games;
- enhancing knowledge of economic topics;
- encouraging direct cooperation between schools and businesses.

Joint social partner project

- **Girls' Open Day**

Once a year, the Federal Ministry of Education and Research (BMBF), the Federal Ministry of Family Affairs, Senior Citizens, Women and Youth (BMFSFJ), the Confederation of German Employers' Associations (BDA), the Confederation of German Trade Unions (DGB), the Initiative D21, the Federal Employment Agency (BfA), the Association of German Chambers of Industry and Commerce (DIHK), the Federation of German Industries (BDI), the German Confederation of Small Business and Skilled Crafts (ZDH) invite companies active in technical sectors, companies with technical departments and technical training facilities, universities and research centres to organise an open day for girls and thereby offer them an insight into working life and a chance to meet HR managers and staff members responsible for traineeships. In this connection, the participating institutions open up their laboratories, offices, workshops, etc., to show girls just how interesting and exciting work in these areas can be in practice. Often, staff are personally available for discussions.

The Girls' Open Day opens up future prospects to a generation of qualified young women. Pilot projects and campaigns have been launched to change girls' and young women's behaviour with regard to their choice of career and to expand their range of career options. Nevertheless, the number of girls choosing typical 'women's careers' or typical women's subjects to study is disproportionately high. In opting for these traditional choices, women are not fully exhausting their career opportunities. At the same time, there is a growing shortage of qualified junior staff in technical domains.

The Girls' Open Day presents a wide range of professions and activities to girls in school years 5 to 10. Active participation in the Girls' Open Day is intended to particularly motivate and encourage girls to seize their career options and opt for a vocational training course or degree that results in them maybe choosing a profession that is not regarded as being 'typically for women'.

At company level

Joint social partner projects

- **TOTAL E-QUALITY Award e. V.**

This is a trade and industry initiative. The co-founders of TOTAL E-QUALITY Germany are staff employed by Bayer AG, DT Bad Kissingen Technische Vertriebs GmbH, Deutsche Telekom AG, Hoechst AG, Albert Mühlenberg OHG, Philips GmbH and VW AG, the social partners (Confederation of German Employers' Associations (BDA), the Confederation of German Trade Unions (DGB), the Federal Ministries of Education and Science, Research and Technology and of Family Affairs, Senior Citizens, Women and Youth, the Federal Employment Agency's Institute for Employment Research and the Bildungswerk der Hessischen Wirtschaft e. V..

The aims of TOTAL E-QUALITY are to identify, promote and put to optimum use the talents, skills and qualities of women in a corporate setting, allowing women to take their share of responsibility and information, receive basic and advanced training, and receive commensurate remuneration both in terms of pay and performance-related bonus schemes, all on an equal rights basis. TOTAL E-QUALITY starts out from the premise that providing equal opportunities for women and men gives employers a competitive edge and is indispensable if they are to practise an innovative, forward-looking HR management policy. Application for the TOTAL E-QUALITY scheme is voluntary and based on companies' self assessment. Eligible

companies come from all domains, can be of any size in excess of 25 employees and must realise an annual turnover of €500,000. The TOTAL E-QUALITY working group has drawn up a checklist for would-be applicants, based on corporate practice and experiences.

- **Flexible working time and working time accounts**

On 10 January 2003 a collective agreement was concluded that was designed to secure the future of a Coca Cola AG plant in Baden-Württemberg (CCE AG) and jobs there. The parties to the collective agreement agreed to avoid plant closures if at all possible. To avoid any job losses priority would be given to consideration of the following measures: offering part-time jobs for older workers making use of progressive retirement, temporary reduction in working time, training courses, limiting overtime or awarding time off in lieu, insourcing and investments and taking advantage of the arrangement regarding progressive retirement for older employees. Should any additional personnel-related measures be required, CCE AG has pledged to set up a transfer and training company that could take on any staff members threatened with redundancy.

- **Management of ageing**

The project Management of Ageing in the automotive sector is designed to offer older workers fresh opportunities to stay with their company or regain a foothold in the labour market. Concepts of new work organisation, staff development and company HR policy that are in tune with ageing are being devised, as are practical guidelines for works councils. The German Network for Work in Tune with Ageing (NETAB), which brings together companies, academics, continuing training establishments, employers' federations and trade unions (IG Metall), will be promoted as a so-called „development-partnership“ within the context of the Community Initiative EQUAL.

Greece

Organisations

- Trade Unions: GSEE (General confederation of Greek trade unions), member of ETUC
- Employers: FGI (Federation of Greek Industry), member of UNICE

1/ Involvement of social partners

Even if there is considerable improvement concerning involvement of social partners in preparation of the National Action Plan for Employment 2003, there were no significant changes in its preparation. For instance, there was a failure to take advantage of the streamlining and synchronisation with the Broad Economic Policy Guidelines.

Still, we believe that there is room for progress concerning development of a comprehensive partnership between social partners in implementation, monitoring and follow-up of the Employment Strategy throughout the year.

The new element this year was that the Greek NAP was discussed in the context of a newly established Employment Committee, a fact that gives prospects for better cooperation between the parties involved as regards the elaboration of employment issues.

2/ Key initiatives

At national level

The above-mentioned Employment Committee, together with the Social Protection Committee, was established last year in order to play a significant role in better implementation, monitoring and follow-up of the National Action Plan for Employment and the National Action Plan for Social Inclusion respectively.

In addition, their role is to reinforce and facilitate the dialogue between Social Partners and respective Ministries for issues concerning Employment and Social Protection.

The establishment of the Employment Committee was FGI's and GGCL's joint initiative as expressed in the context of the NAP since the year 2000.

In the same context, the Greek General Confederation of Labour and the Federation of Greek Industries proposed another initiative in view of the modernisation of Greek labour market. Their proposal had to do with the need to establish a national system which would link and better fit training with the employment needs of the work force. This proposal was adopted by the Ministry of Labour which, together with the Ministry of Education, formulated a new law, describing the procedural details of the new system, which was adopted by the Greek Parliament in October 2003. It is worth mentioning that the role of social partners was decisive in formulation of the

provisions of the law and we hope that they will play a more active role in the management of this newly established body abbreviated to ESSEEKA.

At regional level

Social partners financed through LAEK (an account financed from the contribution of social partners) interventions, to fight unemployment in five large areas throughout Greece preventive approach).

In addition, through the National Institute of Health and Safety, social partners took care of the promotion of Health and Safety issues in certain regions throughout Greece (quality in employment).

Ireland

Organisations

- Trade Unions: Congress (Irish Congress of Trade Unions), members of ETUC
- Employers: IBEC (Irish Business and Employers Confederation), member of UNICE, SFA (Small Firms Association), member of UEAPME and CEEP Ireland

1/ Involvement of the Social Partners

The Social Partners were invited to submit any views or comments at the development stage of the National Action Plan and at a later stage on a draft but unfinished plan. Whilst every effort was made to involve the social partners, very short timeframes were given for responses, particularly considering that requests and deadlines were over the summer months. Short bilateral meetings covering the procedure were held.

The lead Department, the Department of Enterprise, Trade and Employment, was helpful and welcoming of any input however it proved impossible to make any significant contribution during the allotted time available.

The synchronisation and streamlining of the Broad Economic Policy Guidelines and the European employment Strategy did not have a huge impact on the way that consultation with the Social Partners was carried out.

2/ Key Initiatives

At national level

Social Partnership

The strong social dialogue arrangements in Ireland mean that most initiatives take place under the umbrella of the Social Partnership Agreement. The current agreement, *Sustaining Progress*, was negotiated towards the end of 2002 and the beginning of 2003, and finally agreed at the beginning of 2003. The agreement runs until 2005. The agreed objective of the Agreement is to continue progress towards the realisation of the NESC (National Economic and Social Committee) vision for Irish society in terms of: economic inclusion based on full employment; consistent economic development that is socially and environmentally sustainable, social inclusion and a commitment to social justice; and continuing adaptation to change. The agreement includes and sets out ten special initiatives to be progressed, some of which reflect the European employment guidelines, especially guidelines 1, 4, 5, 6 and 7.

The actions and commitments under *Sustaining Progress* are substantial, and most of the work of the Social Partners in the field of employment, combating disadvantage and discrimination, affecting labour supply and making work pay is done through this structure. The Social Partnership system cannot be considered to

be a joint initiative as the Government is central to the process providing the arena within which the process operates. Other parties involved in the negotiations to agreements in Ireland include the farming bodies and the community and voluntary sector (there are currently 26 participant organisations in the community platform). Whilst the Irish Social Partners have and do undertake actions outside of this framework, this is not their usual way of operating. For that reason the initiatives mentioned here are by no means the only actions that the social partners take or have taken.

One of the members of CEEP Ireland, FÁS – the national training and employment authority of Ireland, is essential to the National Employment Action Plan and its implementation. The Board of FÁS comprises representatives from trade unions, employers and youth interests as well as representatives from various Government Departments. FÁS is the implementing agency for the Employment NAP in Ireland and has contributed to and informed its development.

Essential in effecting active and preventive measures for the unemployed and inactive, FÁS offers intervention to all clients qualifying for selection under the National Employment Action Plan. From 2003, this included anyone reaching six months on the live register. From June 2003 onwards, efforts were targeted at the long-term unemployed not previously referred. There were 49,017 referrals in 2003. FÁS is involved as a partner in a number of innovative projects looking at gender equality and fighting discrimination in particular.

Joint Initiatives

- **Interact**

IBEC and ICTU are two of the main partners in an EQUAL funded project whose main aim is to promote and assist the integration of non-Irish nationals who are working in Ireland in 2003. The project completed research looking at the experiences of migrant workers in Ireland in three sectors. It was the first piece of research of its kind and is being followed by the development of training programmes for managers in companies, for trade union officials and shop stewards as well as Irish and non-Irish workers.

- **Anti-racist Workplace Initiative**

The social partners are two of the main partners in the Anti-racist Workplace Initiative alongside the Construction Industry Federation (CIF), the Small Firms Association (SFA) and KNOW Racism and the Equality Authority. The initiative is aimed at preventing racism in workplaces and its main focus is a 'National Anti-racist Workplace Week'. This is the third year that events have been held in Ireland which sees employers and trade unions taking a platform to make clear that racism is not acceptable in workplaces in Ireland. The week this year, held from the 3-7 November, saw a change of focus. Instead of the main focus being a huge publicity campaign, the focus was shifted to concentrate on activities at company level. Employers all around Ireland, often in conjunction with unions represented in their organisation, organised events within their organisation to celebrate and mark the week as well as a number of high-profile events at national level. More information can be found at www.equality.ie/antiracism.

- **Workway**

IBEC and ICTU set up the 'Workway' initiative to promote the employment of people with disabilities. The project set up a number of local networks that included employers, trade unions, people with disabilities and local service providers. These local networks looked at local barriers to the employment of people with disabilities and developed tools to address those barriers. More information can be found on the dedicated website: www.workway.ie.

- **European Year of People with Disabilities**

During the European Year with Disabilities IBEC and ICTU, as part of a consortium, were involved in 2003 in organising five conferences on the issue of disability and employment. The conferences were successful in reaching a significant audience. Minister Fahey, TD attended two of the meetings and high-profile business leaders from the specific regions hosted nearly all of the meetings.

- **Family Friendly Workplace Day**

The third Family Friendly Workplace Day was organised on 28 February 2003 and saw companies throughout the country organise events to promote family-friendly practices. More information can be found on www.familyfriendly.ie. IBEC and ICTU are two of the main partners involved in the organisation and promotion of the day alongside the Equality Authority and a number of government departments.

- **National Flexi-Work Partnership**

Both IBEC and ICTU are involved in the National Flexi-Work Partnership which is working to look at flexible working arrangements in order to break down possible discrimination in employment. The project is particularly focused on older people, people with mental health difficulties, working parents and carers. In 2003 a guideline for employers on employing older workers was published.

Employer Initiatives

- **Pavee Feens Hawkings**

IBEC is a partner along with FAS (the National Training Authority) and a number of traveller groups who have come together in order to look at addressing the discrimination faced by traveller men in particular. The project is developing measures to assist and support for this target group to enable them to set up their own businesses. Examples include gardening companies and paving companies.

At Regional level

The Workway project, whilst being organised and set up at national level is driven through its regional networks. Networks have been set up in Donegal, Galway, the midlands, Kerry and Cork.

The European Year of People with Disabilities conferences were organised at national level but driven at regional level.

At Sectoral level

Because of its size, Ireland tends not to have a large number of sectoral initiatives. An exception to this trend is the construction industry, where a number of joint initiatives between the Unions and Construction Industry have over recent years, served to improve safety standards in the industry. These include the Safe Pass Programme under which 225,000 workers have undergone training courses. Other initiatives include the Safety Representatives Facilitators Project will be continued, albeit with reduced funding.

At Company level

Many of the initiatives set up at national and regional level are implemented at company level. This is particularly true for 'Family Friendly Workplace Day' and 'National Anti-racist Workplace Week' where supports are developed at national level, but with companies acting upon them and developing the ideas and suggestions.

Italy

Organisations

- Trade unions: CGIL (General Italian Confederation of Work), CISL (Italian confederation of trade unions) and UIL (Italian Union of Work), members of ETUC
- Employers: Confindustria (Confederation of Italian Industries), member of UNICE; Confapi (Confederation of SmallC) and CNA (National Confederation of Handicraft and SMEs), members of UEAPME, ARAN (Representative Agency for Collective Bargaining for the Public Sector), members of CEEP

1/ Involvement of social partners

The Italian NAP 2003 represents a wide document for the monitoring and the programming of employment policies based on labour market reform, education reform, pension reform.

During these reform processes, social partners were informed and consulted on government initiatives, but not strongly involved in preparing them as is usual in the country.

Judgments of the organisations were not unanimous, in particular on labour market reform, even amongst the trade union organisations.

As far as particularly preparation of the 2003 NAP is concerned, the government effectively consulted the employers and trade unions associations, together with representatives of the regional and local administrations.

A first meeting, in September 2003, was held by the government to inform the social partners about the time schedule for elaboration of the NAP and to present to them the outline of the document that, based on the new European employment guidelines, would be divided into three parts: the first one on the overall strategies for labour market and employment in the macroeconomic context; the second one on analysis of the progress made and of future actions; the third one on the social dialogue and governance.

The government, underlining the deadline of 6 October, gave the social partners the chance to take part directly in the drafting of the NAP, with particular reference to the third part of the document, by sending a specific contribution on social dialogue. The social partners, working in interest groups, agreed to produce some documents to be annexed to the NAP. Given the limited time available for elaboration of the document as well as different opinions on the document, it was impossible to produce a single paper. They also asked for a draft of the NAP in order to produce specific remarks.

Before the second consultation meeting, at the end of October, their separate comments and proposals were presented, but social partners never received the final draft of the document . The final document was approved in December 2003.

Moreover, after presentation of the NAP to the European Commission, the government expressed its commitment to maintain the involvement of social partners for monitoring and implementation of the policies defined in the document.

With reference to the synchronisation and streamlining of the Broad Economic Policy Guidelines and the European employment strategy, as emerges from the different time schedules for the elaboration of the NAP 2003, they changed marginally the way in which the NAP was prepared.

The new constitutional arrangement meant that a more relevant aspect of NAP 2003 consultation was stronger involvement of regions. The social partners need a better balance between the competence of the regions and their role at national regional and territorial level (horizontal and vertical subsidiarity)

Comments by Confapi (Confederation of Small and Medium Industries), Confartigianato (Confederation of Italian Crafts) and CNA (National Confederation of Handicraft and SMEs), members of UEAPME

Regarding the contents of NAP, Confapi and CNA together with twelve other employer organisations presented on 21 October 2003 a document containing general observations about the objectives set by NAP 2004 and on the role of social partners within the governance process.

Even though the document expresses some queries, it agrees with the objectives set out for the thrust of the NAP.

The signatory organisations express their appreciation of the Italian government's initiatives for the labour market and underlines the need for new social security cushions aimed at employability.

The document states that entrepreneurship should be sustained and confirms the organisations' commitment to carry out their governance functions, promoting every useful initiative within the sense of collaboration, also through the bilateral system.

On 24 October 2003, Confartigianato presented its own document in which, having underlined the substantial agreement on the contents foreseen in the National Action for Employment prepared by the Government, and states its belief that the permanent framework of social dialogue and concertation must be adequately supported, above all in this current phase characterised by the new line of work and employment policies.

The reforms regarding the labour market, social security cushions, vocational education and training system, and also revision of Community programme tools require, apart from a qualified practice of dialogue between the social partners, also permanent forums for meetings between the same social partners and institutional subjects at various levels. For this reason it is hoped that the Government promotes and supports benchmarking actions based on the system of bilateral bodies that the Italian handicrafts has developed and consolidated over the last ten years.

The discussion on preparation of the NAP has had as its protagonists social partners and the Italian Government and, as can be seen from the considerations noted already, has raised quite a few doubts about the summary that the European Commission has written in the joint Report on Employment 2003-2004-Fiche Italy.

It is understood that the different contributions produced by the social partners and attached by the Government to the final document draft, testify to the richness – and also the complexity – of dialogue and concertation between all interested actors.

2/ Key initiatives

Considering the priorities identified in the European employment guidelines, the involvement and contribution of the social partners is relevant in Italy.

First of all, at national and sectoral level, social partners help to regulate many aspects of the employment relationships through collective bargaining.

Also, negotiations and social dialogue at regional level often represent significant experience of implementation of the employment policies defined in the European guidelines.

The main relevant agreement, called “Pact for Development” and signed by Cgil Cisl Uil and Confindustria in June 2003, set out joint proposals on policies for development, employment and competitiveness,

The detailed actions particularly addressed at reinforcing regions in the South of Italy still remain to be implemented and have not been included in Economic and Financial Programme document or the NAP. Some of those proposals may be examined through a new specific social dialogue session on social policy and welfare opened by government and social partners this month.

Moreover, during 2004, the role of the social partners in contributing to the Luxembourg process and the Lisbon strategy will be deployed through their bargaining on implementation of the labour market reform currently under way.

Referring to the public sector, several elements of the collective agreements signed in 2003 by CGIL-CISL-UIL and ARAN are relevant for the priorities identified in the European employment guidelines.

Regarding active and preventive measures for the unemployed and inactive, collective agreements for the public sector include flexible forms of contracts such as part-time work and fixed-term work, as well as clauses for the re-integration at work of people who have left the workplace at an early stage. Only people who have been unemployed for a maximum of five years can benefit from the above-mentioned clauses.

Adaptability and mobility in the labour market are mainly promoted through company-level bargaining, which regulates, for instance, career incentives based on a relatively new system of classification of the personnel. This system, which is mostly based on the assessment of results, is much more dynamic and selective than the previous one, and it constitutes a major factor of adaptability of the public

sector to the new shape of the labour market. The first assessment and eventual reform of this new mechanism is scheduled for the 2006-2009 collective bargaining.

Gender equality is promoted at the workplace through the constitution of Committees for equal opportunities, monitoring and preventing any discrimination in access to training, career opportunities, benefits linked to productivity and pay.

The integration of people at a disadvantage in the labour market is pursued by the creation of special facilities for workers with disabilities. Besides, therapeutic programmes are provided, when available, for workers with particular psychological/physical problems. That measure is supported by the possibility of maintaining the post whilst waiting for improvements.

Regional employment disparities are addressed thanks to a greater simplification of the system of inter and intra-sectoral mobility. The pre-condition for mobility within the eleven departments of the public sector is indeed to meet the requirements of three actors: the employee, the department of origin, the department of destination.

Luxemburg

Organisations

- Trade unions: CGT-L (Confédération Générale du Travail de Luxembourg) and LGGB (Union of the Christian trade unions of Luxembourg), members of ETUC
- Employers: FEDIL (Federation of Luxembourg's Industrialists), member of UNICE, FdA (Craft Federation) and Chambre des Métiers (Chamber of Craft) members of UEAPME

1/ Involvement of social partners

The employer organisations and the two trade unions which are representative at national level took part in work to prepare NAP 2003 in the framework of meetings of the tripartite standing committee on employment whose tasks include a regular examination of the employment and unemployment situation. The work carried out in the standing committee on employment was next analysed, followed up and then approved by the tripartite coordination committee which brings together members of government, representatives of trade union organisations which are representative at national level and representatives of employers in various economic sectors.

The new approach (synchronisation) resulted in involvement of the trade unions which participate in the framework of the economic and social council – a social dialogue organisation in Luxembourg – in preparation of an obligatory opinion by the social partners on BEPG.

2/ Key initiatives

At national level

Joint actions

Regarding management of change and adaptability, the social partners regularly engage in concertation at bilateral meetings in order to

- reform the part-time work contract
- introduce a legal regime for telework
- formulate suggestions for the minister of work and employment in the framework of reform of collective labour relations and more particularly concerning the national conciliation office and cross-industry agreements.

In the framework of tripartite work, they have engaged in discussions intended to result in preparation of

- amendment of the legislation instituted by the national action plan for employment 1998
- legislative reform regarding incapacity for work and reintegration in the labour market
- a legal regime for time savings accounts

In the framework of multilateral discussions, they endeavour to

- curb and reduce the increase in home-work-journey accidents
- encourage women with no work activities to rejoin the labour market.

Employer actions

In the framework of employment measures:

- development of a study highlighting labour needs in the new information technologies sector;
- establishment, in cooperation with ADEM, of a pool of substitutes in the commerce sector;

In the framework of sustainable development:

- preparation of a charter in which employers commit to promote a dynamic of sustainable growth among Luxembourg companies, taking account of the economic, social, environmental and societal aspects of development;

In the framework of promotion of entrepreneurship:

- continuation of efforts to raise the profile of entrepreneurship among young people with a view to awakening in them the wish to create, innovate, take initiatives, as well as a taste for challenge, inter alia through "mini-enterprise" projects prepared for and run with pupils in the higher classes in secondary education;

In the area of health and safety at work:

- initiatives by various health services in the area of ergonomics (e.g. back training).
- conference on risk positions
- creation of a work tool for identifying safety positions in companies
- declaration on "promotion of safety, health and well-being of workers": action plan for combating accidents at work 2003 - 2007.

In the framework of equality between men and women:

- launch of one-off actions by employer organisations and professional employer chambers, e.g. organisation of a forum devoted to women wishing to enter or re-enter the labour market together with an information forum for women wishing to create their own company
- offer of seminars for evaluation, of pay as a function of job classification

Trade union actions

- establishment of structures for reintegration of the long-term unemployed in the labour market
- at the level of the "Grande Région", EURES advisers contribute to jobseeker mobility
- creation of an "equality" network bringing together equality delegates from different sectors/companies
- course for evaluation, of pay as a function of job classification

At sectoral level

Joint actions

In the area of health and safety at work:

- preparation of a concept designed to assist both victims of sexual harassment and companies confronted with such acts but deprived of means for meeting their obligations in this respect by virtue of recent legal provisions on this issue. It should be noted that this is a sectoral initiative which has been put in place by an association of heads of personnel together with the competent occupational health service
- in addition, several companies have in the meantime concluded collective agreements on sexual and/or moral harassment, and put in place the associated mediation procedures
- negotiations on the right to work part-time for reasons of age

At company level

Joint actions

In the area of health and safety at work:

- in the meantime, several companies have concluded collective agreements on sexual and/or moral harassment, and put in place the associated mediation procedures

The Netherlands

Organisations

- Trade unions: FNV (Netherlands Federation of Trade Unions) and CNV (Federation of Christian Trade Unions), MHP (Trade Union Federation for Intermediate and Higher Employees), members of ETUC
- Employers: VNO-NCW (Confederation of Netherlands Industry and Employers), member of UNICE; MKB-Nederland (Royal Dutch Association of SMEs), member of UEAPME, and LTO Nederland (Dutch Organisation for Agriculture and Horticulture)

The above-mentioned employers' and trade union confederations constitute the Labour Foundation

1/ Involvement of social partners

In the opinion of both employers and employees, the social partners are not always consulted as closely as they might be, and such consultations are sometimes too pro forma in nature. The (main) reason is that the relevant documents, including the European ones, often arrive too late for serious discussion to take place.

It should be noted however that the substance of the National Action Plan (NAP) is ultimately the responsibility of government and not of the social partners as such.

2/ Key initiatives

• General comments

It is important to view the employment policy pursued by the social partners in the Netherlands against the background of the Dutch government's social and economic policy in the past year.

In September 2003, the Dutch Cabinet announced a package of measures and intentions within the context of its 2004 Budget. Many of these social and economic measures and the Cabinet's intentions with respect to the labour market and social security did not have the support of the employees. As a result, the government and the social partners engaged in close consultations in the ensuing months.

In the end, on the one hand the Cabinet amended or postponed a number of its proposals, while on the other hand the social partners indicated their willingness to exercise wage moderation so as to assist the Netherlands' economic recovery and to help boost employment.

The social partners, united in the Labour Foundation, drew up a Statement to that effect, calling on the bargaining partners in industry and companies not to include

any contractual pay increases in the collective agreements which are to be revised for 2004. 1

The Statement also recommended that any contractual pay increase in 2005 should be virtually zero, assuming that by no later than April 2004 the Cabinet and the social partners will have reached agreement on the overall fiscal facilitation of future early retirement / pre-pension schemes and the proposed lifecourse scheme for such matters as training, care tasks or relaxation during the active period of the individual's lifespan.

The measures discussed below are those taken by the social partners to stimulate employment and reduce the level of unemployment. The social partners adopted these measures as joint members of the Labour Foundation, within the context of other institutions in which they are represented (for example the Council for Work and Income), or as independent organisations.

- **Combating youth unemployment**

In late 2003, the employers and employees represented in the Labour Foundation advised bargaining partners, sectors of industry and individual companies to undertake measures or extra measures to bring down unemployment levels among young people.²

Specifically, such measures involve maintaining and, where possible, creating practical training places and work experience places for young people, increasing their employability through training / education, and creating more jobs for young people, for example by making use of the preliminary salary scales determined under collective agreements.

The main purpose of this recommendation is to help young people who have only been unemployed for a short period of time to maintain their employability as much as possible by helping them to acquire work experience.

- **Model Approach to Youth Unemployment**

With respect to the aforementioned recommendation, reference should also be made to the "Model Approach to Youth Unemployment" adopted by the Council for Work and Income, an advisory body whose members include employer and employee representatives. The Model Approach describes a number of different ways of involving young people in working life, for example via apprenticeships, subsidised jobs, work placement, etc.

- **Using Education and Development Funds (E&D Funds) to finance training / employment projects**

The social partners in many different sectors of industry have set up Education and Development Funds (E&D Funds) financed by individual companies in the relevant sector.

¹ See for the Statements of the social partners and the Cabinet: www.stvda.nl.

² See for the text of the Recommendation: www.stvda.nl.

These funds are used to finance training and education facilities for those employed in the companies concerned and to develop sector-specific labour market projects.

Since 1999, the Netherlands and the European Commission have been discussing whether the training activities co-financed by the sector-specific E&D Funds could be financed in part from the European Social Fund (ESF).

Until now, the Commission has held that any E&D Funds obtained under an order declaring the terms of a collective agreement binding on an entire sector should be regarded as public funds, i.e. as government aid, and that they therefore cannot be matched with any funding provided from the ESF.

The Labour Foundation believes that the total financial resources encompassed by the E&D Funds (including the money obtained under an order declaring a collective agreement binding) must be regarded as private funds spent by the administrators of the E&D Funds without their being subject to direct government authority. The Foundation considers it vital that the Commission should subscribe to this position in view of the great importance of the training activities and labour market projects financed by these Funds for which ESF funding can function as a catalyst for training activities in relation to the Lisbon targets. This position was recently supported by the Dutch State Secretary for Social Affairs and Employment in a letter dated 13 January 2004, addressed to Mr M. Monti, European Commissioner responsible for Competition Policy (Competition DG).

- **Policy on older employees**

The social partners in the Netherlands have been considering the position of older workers for many years now, and in particular how to increase the labour market participation rate of older workers most effectively. They have focused on creating conditions that will allow older workers to continue in employment for a longer period of time.

In recent years, voluntary early retirement schemes (VUT schemes) financed on a pay-as-you-go basis have been converted into pre-pension schemes financed on the basis of capital funding.

The change in the financing method will influence older workers to continue working for a longer period and increase the employment participation rate among the members of this age group. The effect will be reinforced by the fact that the average age to qualify for a pre-pension has in most cases been raised by a few years compared with the early retirement age under many of the old VUT schemes. According to the aforementioned Statements concluded in November 2004³, the Cabinet and the social partners will discuss the future conditions for accruing a flexible pre-pension in greater detail.

The social partners represented in the Labour Foundation have also made various recommendations in the past regarding working conditions, additional training, career guidance, job modification and so on, all intended to ensure that older workers can continue working for a longer period of time.

³ See footnote 1.

- **Integration of ethnic minority immigrants**

Both the Council for Work and Income and the Social and Economic Council have published advisory reports on the integration of ethnic minority immigrants, both recent arrivals ("newcomers") or those who have lived in the Netherlands for many years but are poorly integrated ("oldcomers").

The "integration programmes" discussed in these reports combine second-language acquisition with vocational or job training so as to guide immigrants into employment. Combined programmes such as these have proved to be effective in actual practice and contribute to achieving the Lisbon targets. For these programmes also it is important that the E&D Funds can be combined with ESF funding.

- **Child care**

In 1999, in a bid to increase opportunities for women re-entering the labour market, the Labour Foundation drafted a recommendation intended to encourage childcare arrangements in collective agreements. The number of such arrangements has increased sharply since then. Today, 89% of all major collective agreements include childcare arrangements and the number of childcare places created by companies has also increased exponentially.

- **Reducing sickness absenteeism levels / reintegration of employees on sick leave**

Another way of increasing the employment participation rate of the Dutch population is to cut down on sickness absenteeism and ensure that employees on sick leave are quickly reintegrated into the workforce. The employers and employees represented in the Labour Foundation have done much work on this subject in recent years. One area that they have looked at closely has been the prevention of sickness absenteeism through policy measures.

In the year 2000, the Labour Foundation and the government agreed to encourage employers and employees in the different industrial sectors to draw up occupational health and safety agreements. Such agreements focus on the working conditions within the relevant sector and are intended to tackle specific factors leading to a relatively large percentage of sick leave cases. More than fifty such agreements have now been concluded.

The Labour Foundation has also published a manual that helps companies draw up an effective prevention policy.⁴

The Labour Foundation recently adopted an advisory report on combating sickness absenteeism and reducing the levels of occupational invalidity through collective bargaining measures. The report will be presented on 20 February 2004.

⁴ Labour Foundation, **En morgen gezond weer op! Brochure over gezondheidsbeleid in ondernemingen en de relatie tussen onderneming en arbodiensten** [Better again tomorrow! Brochure on health policy in companies and the relationship between the company and the occupational health and safety service]. Joint publication by the Labour Foundation and the Occupational Health & Safety Service trade representative association, March 2002

- **Improving labour productivity**

The Lisbon strategy and other measures identify a structural increase in labour productivity as an important tool for achieving both long-term economic growth and a well-balanced labour market, in part with a view to the expected ageing of the working population.

The employers and employees represented in the Labour Foundation are presently working on a recommendation intended to guide bargaining partners and companies towards collective measures to increase productivity and encourage innovation.

- **“Vacancies offensive”**

The Council for Work and Income launched a “vacancies offensive” in 2003 aimed at introducing better job-matching procedures so as to quickly and effectively fill vacancies that still exist despite rising unemployment levels.

- **Teleworking**

The employers and employees represented in the Labour Foundation published a joint recommendation in 2003 calling on bargaining partners and companies to encourage teleworking as set out in the earlier Framework Agreement on Teleworking concluded by the European social partners within the context of the European Social Dialogue.

- **Activities of individual organisations**

In addition to the joint activities described above, the various leading Dutch trade union federations and employers’ associations represented in the Labour Foundation have also organised their own activities to promote employment.

Such activities include the following:

- Confederation of Netherlands Industry and Employers (VNO-NCW): JOP Plan, which arranges trainee places for young people with a view to combating youth unemployment. VNO-NCW also organises activities supporting the ambassadors network and presents the Diversity Award, aimed at encouraging the promotion of more women to senior executive positions;
- Royal Dutch Association of Small and Medium-sized Enterprises (MKB-Nederland): the 10,000 training jobs plan;
- Netherlands Federation of Trade Unions (FNV): Plan for Tackling Youth Unemployment;
- Netherlands Federation for Agriculture and Horticulture: Project Seasonal Work, project to employ seasonal workers and Plan for tackling Youth Unemployment.
- Federation of Christian Trade Unions (CNV): Smash: helping disadvantaged young people prepare for and find work; “It starts at home”: preventing drop-outs among Moroccan youths.

Portugal

Organisations

- Trade unions: UGT (General Workers Union), member of ETUC
- Employers: CIP (Confederation of Portuguese Industry), member of UNICE

1/ Involvement of social partners

Unlike in previous years, Social Partners have participated, at European level, in the evaluation of the first phase of the European Employment Strategy and, based on the results of this assessment, have also contributed to preparation of the second phase of that strategy, and thus to definition of the new European Employment Guidelines.

The same has happened at national level. Social Partners were much more involved by the Portuguese Government in preparation of the 2003-2006 National Action Plan than in previous NAPs.

However, some important contributions and positions put forward by UGT and CIP were not taken on board in a satisfactory way in the final document.

For example, CIP addressed some contributions regarding reduction of the tax burden on SMEs, especially new SMEs, and proposed more flexible working periods in schools.

CIP and UGT are very favourable to synchronisation and streamlining of the Broad Economic Policy Guidelines and the European Employment Strategy, considering that Europe needs a policy mix to reach the Lisbon objectives. We expect that, in future, this articulation can be achieved and assured at national level. However, in the 2003 employment policy this articulation was not yet in place.

In any event, it is too soon to speak of the results of this synchronisation.

2/ Key initiatives

At national level

Social Partners have been, and still are, involved in several activities concerning the priorities identified in the specific orientations by the Council Decision of 22 July 2003 for Member States' employment policies.

Thus:

1 – Labour Code

After a six-month discussion with the Social Partners and the Government through Social Concertation, the Labour Code was approved by the Parliament on 27 August 2003. The Code has been in force since 1 December 2003.

Both UGT and CIP are unsatisfied with the Code.

2 – Labour Code Regulation

From May to November 2003 Social Partners discussed with the Government the laws regulating the Code. These laws – unified in one only law – are being discussed and voted in the Parliament.

3 – Social Pact for Competitiveness and Employment

On 17 August 2003 the Prime Minister presented to Social Partners, in the Standing Committee for Social Dialogue, a proposal for "Guidelines for a Social Pact on Competitiveness and Employment". Within the compass of this proposal three Working Groups have been created to discuss the following matters: "Fighting Fraud and Tax Evasion", "Investment, Innovation and Competition", "Health and Safety at Work and Vocational Training".

4 – Employment and Social Protection Programme

The Employment and Social Protection Programme (law decrees 84/2003 of 24 April and 168/2003 of 29 July) contains some special temporary measures concerning employment and unemployment compensation.

5 – National Action Plan for Inclusion (PNAI)

The National Action Plan for Inclusion of 2003-2005 (PNAI) was approved by the Ministerial Council Resolution no. 192/2003, of 23 December.

6 - Collective Bargaining

The first Labour Code has introduced new challenges and responsibilities on the collective bargaining process.

UGT is engaged in renewing collective bargaining, allowing a more guiding character, which is fundamental as far as sectors and enterprises are concerned. UGT is therefore elaborating a model contract, to be adapted by the Unions to the different sectors, concerning the various matters encompassed by the collective bargaining process. UGT has therefore met its affiliated trade unions regularly, in order to prepare the document.

CIP is extremely committed to taking advantage of the possibility to inject dynamism into collective bargaining introduced by the Code and therefore to replace very old collective agreements by new agreements, which will address fundamental needs of life today.

CIP has met its Associations several times to prepare future collective bargaining. These meetings have revealed, in some cases, highly divergent specificities between different sectors. Therefore, CIP considers that it is not desirable to define general orientations, applicable to all sectors.

7 – Collective Bargaining regarding Change (UGT)

UGT is presently developing a project, which began in 2003 (with European financial support). This project aims at deepening knowledge and discussion towards "Collective bargaining" regarding how collective bargaining can redraw labour relations, contributing both to change and to meeting European objectives, such as those outlined in the European Employment Strategy.

In relation to these different initiatives, we underline some issues more directly related to the Priorities identified in the European Employment Guidelines. In these issues, the participation of UGT and CIP has been particularly active.

Priority 1 – ACTIVE AND PREVENTIVE MEASURES FOR THE UNEMPLOYED AND INACTIVE

- As far as the Institute of Employment and Vocational Training (IEFP) Administration Council is concerned, CIP and UGT have fought for better implementation of active employment and vocational training policies. UGT and CIP also consider that the Public Employment Services should reinforce their main duty, that is to support unemployed people in finding a job;
- Special temporary measures have been defined, aimed at workers who are unemployed or at risk of being unemployed, namely increasing and extending recruitment supports (Employment and Social Protection Programme);
- An employment cyber-centre has been created, based on new information and communication technologies, which gives both employment candidates' and employers' access to an employment offer and request database, as well as to active employment measures (Employment and Social Protection Programme);
- UGT has promoted a Seminar on "Young Unemployed Graduates" to discuss the large increase in unemployment among young graduates, trying to identify measures and action lines, regarding both public policies and trade union strategies. Besides trade unionists, public experts responsible for the employment and vocational training policy implementation were also present in this Seminar (IEFP, INOFOR).

Priority 2 – JOB CREATION AND ENTREPRENEURSHIP

- Various proposals related to increasing modernisation of organisation structures and methods and modernisation of enterprise management have been discussed (Social Pact – Working Group "Investment, Innovation and Competition");
- Several proposals for substantially diminishing cost and time of administrative formalities have been discussed (Social Pact - Working Group "Investment, Innovation and Competition");
- Several proposals aimed at clarifying the entrepreneurial innovation support system have been discussed, as a means to promote corporate innovation capability (Social Pact – Working Group "Investment, Innovation and Competition");
- Employment and enterprise creation have been encouraged through support to both geographic and professional mobility (Employment and Social Protection Programme).

Priority 3 – ADDRESS CHANGE AND PROMOTE ADAPTABILITY AND MOBILITY IN THE LABOUR MARKET

Several proposals were presented during the Labour Code discussion. Specifically within this framework, and within the regulation framework, new measures have been introduced, although UGT does not support some of them:

- Geographic and professional mobility regulation has been revised (Labour Code);
- Tele-work has been regulated (Labour Code);
- Fixed-term contract regulation has been revised (Labour Code);
- Regulation concerning health and safety services organisation is being revised (Labour Code Regulation);

Within the compass of other measures:

- Technical or financial supports have been created, namely regarding the professional guidance process aimed at workers' internal or external retraining and at creating jobs, with the purpose of placing workers in new jobs, either in the same company or in other companies, or supporting them in creating their own job (Employment and Social Protection Programme);

Priority 6 – GENDER EQUALITY

CIP and UGT have been fairly closely involved in this matter through the work of several bodies, especially those of specific nature, such as the Labour and Employment Equality Committee and the Thematic Working Group on Equal Opportunities within the scope of Community Support Framework monitoring.

UGT has organised a seminar on "The Labour Code and Equal Opportunities". UGT has tried to reinforce women's presence in decision-making positions, either in UGT trade unions or in the confederation itself (since this is one of our programme guidelines) or in terms of trade-union affiliation. Regarding this last subject UGT's Women Commission has launched a campaign on the importance of trade unionism and women's participation both in trade unions structures and in the labour world.

Priority 7 – PROMOTE THE INTEGRATION OF AND COMBAT THE DISCRIMINATION AGAINST PEOPLE AT A DISADVANTAGE IN THE LABOUR MARKET

The Government drew up the National Action Plan for Inclusion with no participation from the Social Partners, which means a step backwards as compared with the previous process. Social Partners have expressed their disapproval regarding this methodology in the Standing Committee for Social Dialogue; the government has therefore made a commitment to involve social partners in the future, namely in the implementation and evaluation phases. Until now no developments have been observed.

UGT's Women Commission has organised a seminar on "HIV/AIDS – To Prevent, to Inform and to Include", aimed at discussing themes such as fighting discrimination regarding people infected with HIV/AIDS, especially at work.

Priority 9 – TRANSFORM UNDECLARED WORK INTO REGULAR EMPLOYMENT

- A discussion on reinforcing the inspection services, both in fighting illegal economy and in violating labour legislation (Labour Code; Social Pact);

At sectoral level

Several measures have been determined, namely through collective bargaining:

- Financial support in both hospitalisation and surgery – the company pays 65 or 50 percent of the expenses, depending on whether the patient is a company worker or a direct relative - Clause 94, 2 - ACT Shell Portuguesa;
- Child activities – the employer gives education grants, according to specific criteria, depending on the case (day nursery, kindergarten or leisure time) – Clause 75 – AE Tabaqueira

UGT Unions have played an important part concerning restructuring the process of placing teachers in schools at national level. This achievement resulted from a negotiation process between the Government and the UGT Unions, thus implementing new measures concerning support to teachers and pupils in schools.

At regional level

Social partners have had limited participation in the elaboration of PRASD – Recovery Programme for Depressed Sectors and Areas – which aims at developing employment and economic activities alternatives in areas which have been afflicted with economic crisis situations (company bankruptcies, particularly high unemployment) with a strong social impact.

On the other hand, Social Partners have presented their contributions regarding two different programmes pointed to regions which are facing structural crisis and serious employment problems: the Intervention Plan for Setúbal Peninsula and the Employment Promotion Plan for Oporto District.

Both plans contain a number of specific rules concerning employment support, fighting unemployment and economic activity support.

UGT considers that, though being important instruments, they do not attend to the structural employment problems of those regions.

Both programmes are in relation with priorities 1 and 2 contained in the specific orientations of the above-mentioned Council Decision, as follows:

- A “Local capital social development” measure has been created, directed towards financing investment projects, which help with creation of new entities and new jobs (Intervention Plan for Setúbal place Peninsula);
- A “Promotion and Investment” measure has been developed. This measure aims at developing entrepreneurial spirit and encouraging job creation or consolidation (Intervention Plan for Setúbal Peninsula);
- A special measure aimed at supporting investment and job creation has also been created. This measure tends to encourage investments made by SMEs (Employment Promotion Plan for Oporto District);

Social partners integrate a number of tripartite consultative structures on a permanent basis, namely regarding labour market, vocational training and social security, thus helping to define and implement the employment policy at local and regional level.

Creation of structures at territorial level, as well as excessive expansion to other actors, has created some difficulties concerning interaction between the different structures.

Spain

Organisations

- Trade unions: CC.OO.(Trade Union Confederation of Workers Commissions); UGT (General Union of Workers), members of ETUC
- Employers: CEOE (Confederation of Spanish employers), member of UNICE; CEPYME (Confederation of Spanish SMEs), member of UEAPME

1/ Involvement of social partners

Comments received from UGT and CC.OO

UGT and CC.OO expressed their disagreement with the level of participation which the Spanish government accorded to the social partners in drawing up the employment NAP. In fact, this level of participation is hardly more than a token gesture and, moreover, is limited to the last stage in the preparation of the final document, without any prior information having been provided on the effective implementation and evaluation of the measures contained in the 2002 employment NAP. Furthermore, our proposal to establish a stable, regular and adequate work method enabling proper monitoring of the processes followed for drawing up, implementing and evaluating the employment NAP each year – as expressly set out in the preamble to the Guidelines – was also rejected.

In spite of this, however, both organisations welcome the existence of a European Employment Strategy (EES), which has at least made it possible to coordinate national policies openly and to establish a set of common guidelines. The upward trend in the labour market indicators in the past few years has been uneven in all Member States, and this can be largely explained by the lack of integration between economic and employment policies, particularly since there has been no sustained growth – which is an essential precondition for attaining the objectives set out in Lisbon – and in view of the absence of quantifiable and verifiable objectives. In fact, although some progress is apparent in the annual guidelines, the objectives are still limited and, more importantly, not enough emphasis is being placed on the need for Member States to identify their own objectives.

In the case of Spain, EES represents a missed opportunity since no measures or programmes have been implemented to solve the structural problems of our labour market (high unemployment and low employment rates, particularly among women; high level of temporary employment; insufficient investments in training and technology, which are essential to improve the productivity of work; and insufficient childcare facilities and other measures to eliminate dependency situations so as to promote women's integration in the labour market, among other problems). In other words, the employment NAPs have merely reformulated the actions that were already being implemented before EES. The Spanish government has not identified any specific objectives of its own nor has it addressed some of the recommendations put forward by the Commission.

In spite of these major shortcomings in the implementation of EES in Spain, we are of the opinion that the employment guidelines have positively influenced, albeit to a

limited extent, the Spanish government in terms of the attention it has been giving to such aspects as the nationwide coordination of information on the active employment policies developed in the various regions; adaptation of the state employment services (Servicios Públicos de Empleo) to the new situation characterised by the regional decentralisation of active employment policies; and inequalities affecting women in the labour market.

Comments received from CEOE

In the NAP 2002, the social partners proposed an improvement in the procedures for drawing up and monitoring the NAP.

The first contribution we were asked for this year, at the beginning of July, was to offer our ideas for possible approaches or measures which could be included under certain priorities, especially those where the role of the social partners was most important. This left us initially with a positive impression, and we provided a contribution from which the position of the employer organisations in this section of the NAP is an extract.

The final process of participation and consultation, however, has reversed these initial positive impressions: we have only received two drafts, one in July and the other final draft in September immediately prior to the only two consultation meetings which have taken place.

Although we have to admit that many of the most important measures contained in the NAP have been the object of specific consultation throughout the year, consultation on the NAP as a whole has been far from efficient, as we have not had sufficient time either to suggest improvements or to make final observations.

We hope that next year the system of participation by the social partners will improve. The improvement should be in terms of clarification of many of the measures proposed and the better explanation of some of them using additional information. This would be very useful when it comes to evaluating key questions and would allow us to convey these proposals more effectively to companies and employer organisations.

2/ Key initiatives

At national level

In January 2003, for the second consecutive year, the trade-union organisations CC.OO and UGT and the employer organisations CEOE and CEPYME signed the Interconfederal Agreement for Collective Bargaining (AINC 2003), whose objective is to provide negotiators of collective agreements, at whatever level (national, regional, province or company), with common criteria for negotiations, in line with the recommendations in guideline three. This agreement also incorporates fundamental aspects of the European framework agreement on tele-working signed by ETUC, UNICE, UEAPME and CEEP.

In line with the recommendations in guideline six, AINC 2003 also identifies factors which stand in the way of equal opportunities for men and women, including those upstream from access to employment. To this end, there was an evaluation of the

effectiveness of collective bargaining in terms of promoting equality, and the text includes a list of good practices for dissemination among negotiators.

In December 2002, the Tripartite Social Dialogue Table on prevention of occupational risks proposed a wide range of measures, including: improvement of the standards framework for prevention, with the aim of promoting integration of prevention in companies; updating of the system of tariffs linked to accidents at work and occupational illnesses; establishment of a no-claims system in order to encourage risk prevention; a strengthening of the supervision and monitoring function of the labour inspection system as well as prevention support and guidance missions for companies; pursuit of action plans, preferably in companies with high accident rates; establishment of a new information system for the occurrence of occupational accidents and other agreements linked to health at work (health checks, health officials, etc.).

Employer and trade-union organisations formulated a series of proposals in the framework of consultations prior to approval of the new Employment Law. This law is fundamental for organisation of the new decentralised territorial management model for employment policies and, hence, for improving the functioning of public employment services.

At sectoral level

Sectoral collective bargaining increasingly comprises issues which claim to improve the adaptability of work organisation (improved management of working time, in classification and remuneration systems, etc.) as well as employment stability, appropriate use of the various types of contract, health and safety at work, equal opportunity between men and women.

Towards the end of 2002, the major trade union organisations and the government signed an agreement for the public administration sector. In addition to wage improvements, one key objective of the agreement was to reduce temporary employment, which has been increasing in the public sector in recent years. (Only the trade union organisations – not the employers – are parties to the agreement, given that it only concerns the public sector).

At regional level

Collective bargaining at province level also includes the aspects signalled in point 2 (sectoral level).

Most of the seventeen autonomous communities have developed social dialogue or concertation processes which address aspects relating to employment, including those in the EES guidelines (support for employment and stability, assistance to groups experiencing difficulties in finding jobs, vocational training, etc.). These agreements or plans for employment and/or industry are characterised by their homogeneity in terms of the lines of action they put in place, whether content or mode of application, and in terms of the level of consensus achieved: they are not always tripartite, with participation of the regional government and trade-union and employer organisations of each territory in question.

At company level

The same comment applies as for collective bargaining at sectoral or regional level.

Sweden

Organisations

- Trade Unions: LO (Swedish Trade Union Confederation), TCO (Swedish Confederation of Professional Employees) and SACO (Swedish Confederation of Professional Associations), members of ETUC
- Employers: Swedish enterprise (Confederation of Swedish Enterprise), member of UNICE; Lf (Swedish Federation of County Councils), SK (Swedish Association of Local Authorities), members of CEEP

1/ Involvement of social partners

There has been a long tradition of the social partners participating in work on the Swedish NAP, addressing each guideline since 1998. The social partners have contributed in their own sections, which have been edited slightly to conform to the structure of the NAP. The social partners have formed a working group, which has been in contact with the ministry of Finance and the ministry of Industry. The social partners have contributed jointly or separately to Sweden's Action Plan for Employment 2003, see below in section 2.

2/ Key initiatives

At national level

- **Guideline 3 - Address change and promote adaptability and mobility in the labour market**

Flexibility and security in the Swedish labour market

The Swedish labour market is characterised by strong trade unions and employer organisations, and a high degree of organisation. Some 85% of employees belong to unions. The social partners deal with many issues by means of collective agreements; examples are pay rates, holidays, the duration and organisation of working time and other terms and conditions of employment, to adapt regulation to the needs that exist in a particular sector or at a specific workplace. This allows flexibility to be attained in activities and permits restructuring, while ensuring that employees' needs for security and predictability are met.

The social partners emphasise that working-time issues are a central element in negotiations between the parties. Various models of flexibility and working-time reduction occur. For just under half of employees, there are agreements to introduce shortened working hours by means of allocations to a "working-hours account" or some similar arrangement. The funds can be withdrawn in the form of paid leave, extra pension or cash benefit. As a rule, the allocations correspond to 0.5% of payroll expense annually. One example is the agreement between the Swedish Paper Workers' Union and the Swedish Forest Industries Federation, the employer organisation, whereby the allocation for 2003 is 3% of pay. Out of 80% of all paper workers who have made a choice, 56% have opted for paid leave, 11% for

extra pension and 33% for cash benefit. To a larger extent, women choose paid leave, while a higher proportion of men choose pension. (SN/LO/TCO/SACO).

Working environment and conditions at work

The social partners emphasise that their cooperation on issues relating to working environment has taken place mainly under the aegis of the agency known formerly as the Swedish Joint Occupational Safety Council, and now as Prevent. The parties involved in this cooperation are the Confederation of Swedish Enterprises (SN), the Swedish Trade Union Confederation (LO) and the Federation of Salaried Employees in Industry and Services (PTK).

Through their training and publicity work, the partners have helped to prevent ill health and accidents at work and assumed responsibility for local health and safety work. Over nearly 30 years, more than one million employees, safety representatives and employers have attended the "Better Working Environment" training course – one of the largest initiatives in the Swedish popular education of all time. (SN/LO/TCO/SACO).

Measures to promote adaptability and mobility in the labour market

LO wishes to emphasise the importance of finding forms for reducing the risk of long-term unemployment, with prompt measures including well-designed labour-market restructuring agreements similar to those already in force for salaried employees (LO).

- **Guideline 4 - Promote development of human capital and lifelong learning**

Lifelong learning and well functioning labour market

Labour-market organisations emphasise that they give priority to skills development, since it enhances competitiveness, employability and security, permits favourable pay trends and promotes gender equality (SN/LO/TCO/SACO/Lf/SK).

Vocational training and skills development at the workplace

The social partners emphasise their view that it is important to pay rates and employment conditions to encourage employees to develop skills continuously. Existing collective agreements on skills development afford ample opportunities for local cooperation. The funding is governed by the needs and requirements of the sector concerned. The employer defrays the cost of work-related skills development, but in some cases shares it with the employee. Some pay agreements specify that a certain percentage of payroll expense should be allocated by the employer annually for development of staff skills, work organisation, etc. If the social partners fail to agree on how this sum should be allocated, individual pay rises averaging 0.3% annually are given (SN/LO/TCO/SACO/Lf/SK).

The social partners urge all stakeholders to make use of the Community Structural Funds, and especially the European Social Fund, in ways that encourage development of new initiatives relating to lifelong learning. A report on measures taken at national level will be drawn up annually, and after three years the partners at EU level will examine the results (SN/LO/TCO/SACO).

Measures to sustain and develop lifelong learning

The social partners emphasised the EU-wide agreement in the Social Dialogue in March 2002 concerning a framework for skills development at work as part of lifelong learning. Priority areas at various levels may be to identify skills and qualification requirements; recognise and validate qualifications; and provide information, support and guidance, and also effective and creative management of assets, time and human resources (SN/LO/TCO/SACO/Lf/SK).

The social partners wish to emphasise that, this year, the Swedish partners submitted a joint reply to the initial follow-up of the EU-wide agreement on lifelong learning, and that collaboration will continue during the year to prepare the two remaining follow-up studies (SN/LO/TCO/SACO/Lf/SK).

The unions emphasise Individual Learning Accounts (IKS) as a key measure (SACO).

- **Guideline 5 - Increase labour supply and promote active ageing**

Older workers' labour supply

The social partners emphasise that they have a joint interest in helping to bring about a rise in effective retirement age. To this end, the parties consider it important for agreements on skills development to offer equivalent opportunities for employees' training and development, and for these agreements to be genuinely implemented. To counteract early retirement, flexible forms of work should be introduced by such means as active mentorship, as part of older workers' downscaling of employment and younger workers' workplace induction. New career options should also be facilitated for employees in physically and mentally demanding occupations, where the individual is not usually able to work until the age of 65 (SN/LO/TCO/SACO).

- **Guideline 6 - Gender equality**

Gender equality and women's employment

The union partners emphasise their common interest in helping to make the labour market less gender-segregated. One key aspect of this is continuous monitoring of trends in this area (LO/TCO/SACO).

The union partners have the assignment of implementing active measures to counteract pay discrimination in the labour market, and they point out that they have taken the initiative for projects and surveys to elucidate pay trends and pay differentials between the sexes (LO/TCO/SACO).

Work/life balance: a challenge to men and women alike

The social partners emphasise that they consider individual achievement of a work/life balance highly important, for companies and their employees alike. One example of initiatives taken to improve their chances of doing so is that, in certain collective-bargaining sectors, the social partners have extended the regulations for 'pregnancy benefit' to include men as well. In both the public and the private sector, there are supplementary agreements that can supplement state parental insurance and provide additional compensation (SN/LO/TCO/SACO/Lf/SK).

- **Guideline 7 - Promote integration of disadvantaged groups in the labour market and combat discrimination**

Immigrants' employment and integration policy

In this context, the social partners wish to emphasise the Labour Market Integration Council⁶¹. This Council is further developing means of integration in the labour market, and working to counteract ethnic discrimination and harassment at workplaces. The Council draws the attention of agencies and politicians to structures that must change; visits workplaces, arranges research and training seminars; and develops and disseminates information and training material.

The Labour Market Integration Council consists of the Confederation of Swedish Enterprise, Swedish Agency for Government Employers, Federation of Swedish County Councils, Swedish Association of Local Authorities, Federation of Social Insurance Offices, LO, TCO and SACO (SN/LO/TCO/SACO/Lf/SK).

- **Guideline 9 - Transform undeclared work into regular employment**

LO wishes to emphasise that it has long been working to combat financial fraud. In spring 2003, an inter-union group within LO presented a report with the conclusion that the struggle against undeclared work and financial crime is a key union issue, since informal employment threatens collective agreements in the long run. The report also stated that the unions' prospects of conducting successful efforts to combat informal labour depend both on how well they can collaborate with public agencies and on how well the agencies in the labour-market sector perform their allotted tasks, such as monitoring, carrying out checks and imposing sanctions (LO).

- **Guideline 10 - Address regional employment disparities**

Labour-market policy and regional development

The Federation of Swedish County Councils and the Swedish Association of Local Authorities wish to emphasise that municipalities, county councils and regions are important stakeholders in increased employment and are working actively for intensified cooperation in regional and local labour markets. These parties play a part in strengthening the employment offices, identifying local employment opportunities and improving the functioning of the local labour markets. The Association of Local Authorities has, in cooperation with a number of individual municipalities, devised forms for developing Local Action Plans (LAPs) for increased employment (Lf/SK).

Each organisation, employers and trade unions, are through their members working at sectoral, regional and company level with the questions in the Swedish NAP 2003.

- **Good governance and partnership in implementing the Employment Guidelines**

Social partners

The social partners have a central role to play in work for more and better jobs. The Swedish labour market is characterised by a high degree of organisation and well-developed social dialogue. The social partners traditionally deal, through collective agreements, with many issues without central-government intervention in the form

of legislation, or through agencies. The social partners are particularly responsible for such matters as skills development and the working environment, these being key issues in strengthening people's position in the labour market and encouraging them to remain in employment. The social partners also play a crucial part in implementing EU directives and guidelines through the provisions of collective agreements. One key element in the Government's work on issues relating to employment, the labour market and labour law, and to its efforts to counteract social exclusion, is regular monthly consultations with the social partners. These consultations, which involve politicians and civil servants, create opportunities for discussions of national policy and the Government's measures as part of its EU work. The social partners have been involved in the work of drafting the future strategy, and have also played a highly active role in work on the NAP

Municipalities, county councils and regions

The municipalities have a central role to play in Swedish welfare policy, since they are responsible for education, childcare, refugee reception, care of the elderly and disabled, and social assistance. The municipalities also play a major role in labour-market policy as arrangers of various labour-market policy measures. The county councils' and regions' roles are also important in this context. The Federation of Swedish County Councils and the Swedish Association of Local Authorities emphasise the importance of measures at local level to bring about development work to combat economic and social disadvantages that is sustainable in the long term. 'Local Action Plans within National Action Plans', a project implemented by the Swedish Association of Local Authorities in cooperation with six individual municipalities in 2001, clarified opportunities for developing local Employment Strategies. The project has resulted in a follow-up project with eight municipalities, CapaCity, which local employment offices have also been invited to join. Experience from these projects indicates that a Local Action Plan (LAP) must cover more action areas. Moreover, since the action areas included in an LAP are managed by several stakeholders, there must be strong local partnerships entrusted with the task, and possessing a mandate, to act.

Based on experience from these two projects, the Swedish Association of Local Authorities and the Federation of Swedish County Councils, in cooperation with the members, will conduct projects and other development work concerning the EES and national, regional and LAPs for employment (Lf/SK).

At sectoral, regional and company level

Questions concerning the sectoral, regional and company level are handled by the members of the employers and trade unions at sectoral, regional and company level.

United Kingdom

Organisations

- Trade unions: TUC (Trade Union Congress), member of ETUC
- Employers: CBI (Confederation of British Industry) member of UNICE, FPB (Forum of Private Business), member of UEAPME; the UK section of CEEP

1/ Involvement of social partners

The TUC, CBI, FPB and CEEP UK welcomed the opportunity to comment on the National Action Plan through regular meetings and specific input in the formative stage.

The new three year perspective is helpful, as is setting the employment guidelines in the broader economic policy context.

The UK does not work through institutionalised social dialogue arrangements. The CBI, TUC and CEEP UK agree on areas of common ground where their input will be of value. The TUC and CBI have been working on, and continue to work on, a number of different areas – such as Information and Consultation and Telework (the latter also involving CEEP UK) – using various models – including Task Force approaches and in depth discussions in bi-laterals or in joint discussions with Government ministers. This approach has delivered recommendations which both sides have been able to endorse.

2/ Key initiatives

At national level

The CBI and the TUC welcome their role in supporting delivery of the National Action Plan in response to the Employment Guidelines. In particular they highlight Guidelines 3 – to address change and promote adaptability and mobility in the labour market – and 7 – to promote the integration of and combat the discrimination against people at a disadvantage in the labour market. Additionally, they have worked closely with Government to deliver effective and workable solutions on Information and Consultation and the implementation of the EU Telework agreement.

With reference to Guideline 7, the CBI and TUC continue to participate actively in the development of strategies to encourage the integration of disadvantaged groups in the labour market, notably on welfare to work and immigration issues – particularly supporting and enhancing the capacity to assist immigrants to integrate and contribute effectively.

The TUC and CBI have contributed to the work of the Disability Employment Advisory Committee, advising the government on their new strategy to get more disabled or incapacitated people back to work. There is agreement that the new

approach is the right one, offering more specialised and focused support to help individuals overcome the range of barriers to return to work.

During 2003 both the TUC, the CBI and the FPB have given evidence to the Low Pay Commission - the independent body charged with recommending policy on the minimum wage - on issues such as the rate for 16-17 year-olds and changes to the national rate.

Also with reference to Guideline 7, the TUC and CBI have welcomed the opening up of legal entry routes for migrant workers into the UK via the government's new managed migration policies. Both organisations have emphasised the importance of government providing support for new migrants, including asylum seekers, for example in provision of language training, as well as raising public awareness of the benefits that migrants can bring. The CBI and TUC also support the UK government's plans to give freedom of movement for workers from the new accession countries from the earliest opportunity and the Commission's new directives on the status of third country nationals who are long term residents which are both important steps towards a community immigration policy giving equal rights for workers throughout the EU. Significantly, this will make a valuable contribution to meeting skills shortages and demographic challenges.

In respect of Guideline 9 – to transform undeclared work into regular employment - the TUC and the CBI have also been actively involved in the High Level Steering Group on Illegal Working which seeks to eradicate illegal working and prevent exploitation of those involved.

With regard to UK recommendation 4 on Social Partnership, as mentioned above, the CBI and TUC agree on areas of common ground where their input will add value, rather than working through institutionalised social dialogue arrangements. For example, in January 2003 the CBI and TUC participated in a series of detailed discussions with the DTI to examine how the requirements of the EC Directive on informing and consulting should be implemented. The FPB was also consulted by the DTI.

There was consensus that the overall objective should be to enhance the contribution of everyone involved in the business, to the benefit of employees and the company itself, whilst recognising that a range of different approaches to information and consultation would be appropriate.

Both parties agreed with the DTI a framework for implementation of the Directive and on the 7th July the Government published a second stage consultation document which included draft implementing regulations.

The CBI and the TUC have worked together extensively in the field of workplace dispute resolution. This activity has implications for Guideline 3 – to addressing change and promote adaptability in the labour market - and for the goal of improving quality and productivity at work. Both organisations were involved in the Government's advisory group on how to implement Part III of the Employment Act 2003. The TUC and the CBI also sit together on the ACAS council (a body with responsibility for encouraging conciliation of workplace disputes and advising on best practice in relation to workplace relations). The Council has been involved in a number of initiatives including the current review of the ACAS best practice Code on

grievance and disciplinary procedures in the workplace and recent work on advice for employers on the EU non-discrimination in employment Directive.

At sectoral level

The CBI has consulted trade association and sectoral members on issues such as diversity, tackling age discrimination and illegal working and briefed them on legislative changes, for example on the implications of the Information and Consultation directive for employers.

The FPB has consulted the European hairdressers association on working time arrangements and on VAT reduction for labour intensive services.

Employers and trade unions in the local government sector, as well as TUC and CBI agreed a "Code of Practice on Handling Workforce Issues: An Alternative Dispute Resolution Procedure. This sets out a procedure for resolving disputes arising from the application of the new Code of Practice on Handling Workforce issues which seeks to address questions surrounding the two-tier workforce.

The Employers' Organisation for Local Government is running demonstration projects with its partner trade unions on employee participation in the improvement of local services.

Together with the Equal Opportunities' Commission, the Disability Rights Commission and the Commission for Racial Equality, the Employers' Organisation for Local Government has developed and disseminated an "Equality Standard" for local government. The Standard recognises the importance of fair and equal treatment in local government services and employment and was developed primarily to enable local authorities to mainstream gender, race and disability into council policy and practice at all levels.

In schools, the workforce is being remodelled involving teaching assistants to free up teachers' time.

In the NHS employers and trade unions agreed the "Agenda for Change" on a new pay and staff development strategy. The NHS Modernisation Agency is developing new ways of working for the benefit of patients and a more flexible workforce.

At regional level

With regard to promoting the potential benefits of work-life balance policies, the CBI has provided information and briefed member companies at a regional level on the implementation of a new right to request flexible working for parents with children under 6 and for those with disabled children under 18. The right to request flexible working came into effect in 2003. It was introduced following the recommendations of a taskforce, chaired by Professor George Bain and including union and employer representation. There is also has a review mechanism with which the task force members will be fully involved in 2006.

At company level

The TUC and the CBI agreed a set of voluntary guidelines with the DTI and CEEP on teleworking for employers and employees who are already using or considering this flexible way of working. The guidance was published in August 2003 and the social partners have disseminated among their members.

The CBI has produced a set of good practice examples on work organisation in conjunction with the UK Work Organisation Network which demonstrate how companies have organised their work processes to improve productivity and remain competitive. The case studies, published in November 2003, highlight the benefits which this can bring for the business and point firms in the direction of diagnostic tools and advice.

CEEP UK has co-ordinated an action research project aimed at developing policies for the active management of an ageing workforce at company level. Researchers worked directly with a number employers in the local authority and health care sector to tailor policy interventions to their specific needs.