



28 April 2014

EC Conference on Working Conditions – introductory panel 28 April 2014

Thérèse de Liedekerke, BUSINESSEUROPE Deputy Director General

According to the Eurofound Working Conditions Survey from 2010, **84% of people are satisfied with their working conditions**. And the recent Eurobarometer survey confirms that 77% of Europeans perceive their working conditions, including their working hours and health and safety at work, as good. This is a big achievement. However, at the same time, 53 % of Europeans view the unemployment as the EU's biggest challenge. And various surveys show that the unemployed score significantly lower than the employed in terms of life satisfaction and living standards.

The EU should thus work to maintain good working conditions, while remembering that the most pressing social issue to be addressed is unemployment. And the answer to both of these challenges lies in improving our competitiveness.

The goals of supporting competitiveness and improving working conditions go hand in hand, as **economic growth is the key driver for creating good quality jobs**. By putting in place policies to improve competitiveness, we work indirectly for better working conditions.

By putting in place policies to improve competitiveness, we also work for growth and job creation and address the most urgent challenges European countries face today: weak growth rates and high levels of unemployment (especially long-term unemployment).

The recent Commission communication taking stock of the Europe 2020 strategy paints a clear picture: Europe is achieving its climate and environmental objectives but is missing its economic and labour market goals.

Obviously, the crisis had a profound impact on employment figures but we cannot hide behind this excuse. It is essential that we mobilise all policies – at national and European level – to help European companies grow and create jobs again.

In January 2014 BUSINESSEUROPE issued its recommendations for increasing competitiveness of European economies:

- We need to **rebalance** the approach to **energy and climate policy**. The EU must put cost competitiveness, security of supply and climate objectives on an equal footing and define a clear strategy to avoid “investment leakage” This is crucial for strengthening the industrial base of Europe and will help to ensure good working conditions for the 52 millions of workers whose jobs depend directly and indirectly on manufacturing.
- We need to **advance our international trade agenda** and seize the opportunities offered by the negotiations with key partners like the United States.
- We need to facilitate **access to finance**, restore normal bank lending conditions and strengthen non-bank financing routes. This will reduce uncertainty faced by companies and will in turn improve the sense of security for their workers



SPEAKING NOTES

- We need to continue with necessary **labour markets reforms** focusing on stimulating job creation, employment participation, adaptability, and mobility.
- Finally, we need to make sure that **education systems fulfill better labour market needs** in particular through promoting science, technology and engineering education as well as developing dual learning apprenticeship systems. This will help resolve a shameful European **paradox: the coexistence of high unemployment levels with a high number of unfilled vacancies**. And it will help workers be more productive in their jobs and feel more secure in the labour market.

Today's conference will focus on five broad topics: health and safety at work, management of restructuring, reconciliation of work and private life, the role of traineeships in the labour market, as well as promoting decent working conditions outside the EU. I would like to briefly comment on each of these issues.

1. Health and safety at work

There is **already a large body of EU legislation** in the area of occupational health and safety – 24 directives in total. The framework directive sets out employers' general obligations and a raft of directives aim at protecting workers' from specific risks at the workplace (chemicals, electromagnetic fields, etc.)

The full implementation of current directives needs to take priority over proposing new legislation.

Good management of health and safety within a company can often be more effective than legislation. Good safety and health performance helps business competitiveness – ensuring business continuity by avoiding high levels of staff absence, ensuring higher productivity and facilitating longer working lives

Employers take their responsibility seriously **and progress is being made, with the number of accidents at work reducing**. Between 2008 and 2011 fatal accidents fell by 16% in the EU27, and non-fatal ones by 14% (Eurostat).

And the social partners have developed important tools to help companies and workers to address psycho-social risks, for which there are no "one-size-fits-all" solutions, in the EU agreements on work-related stress or the prevention of violence and harassment.

2. Anticipating and managing restructuring

Employers **broadly support the spirit of the Commission's Communication on the Quality Framework on Restructuring**. Many of the recommendations go in the similar direction to the ones in "Orientations for reference in managing change and its social consequences", which social partners negotiated in 2003. To smooth restructuring processes it is important to maintain and develop workers competences, facilitate internal and external mobility, build local partnerships and undertake constructive social dialogue.

But managing change and its social consequences is best done at local level. To be effective actions need to be tailored to the needs of each company and local



SPEAKING NOTES

environment in which it operates. Therefore, the Quality Framework should not be understood as a rigid list of tasks, but rather as a “source of inspiration and guidance”, to be appreciated on a case by case basis.

The EU has a comprehensive legal framework in the area of information and consultation of workers (including collective redundancies directive, transfer of undertakings, and framework information and consultation directive) which complements national rules and practices. This legislation has to be respected. But there is no rationale for the consolidation of the three Information and Consultation Directives as there are no legal uncertainties to be resolved. This has been broadly confirmed by the “fitness check” undertaken recently by the Commission.

3. Reconciliation of work and private life

According to the recent Eurobarometer survey **80% of working Europeans are satisfied with their working hours**. EU social partners have contributed positively to this achievement through various framework agreements: for example on telework, and part-time work. They also contributed to a better work-life balance for workers with their agreement on parental leave.

4. Traineeships

BUSINESSEUROPE supports increasing the number of traineeships in the EU. They play a valuable role in helping young people to gain work experience and facilitate their integration on the labour market. Policy makers should focus attention on **evaluating the effectiveness of traineeship schemes in terms of the future employability of trainees**.

Given that there are already structures and regulations in place for the governance of traineeships at the national level **there is no need for additional EU guidance**.

5. Decent work outside the EU

European companies investing in developing countries **bring benefits to the local economies and societies** – jobs, prosperity, new goods and services, contracts with local businesses, etc.

Of course progress is still needed regarding overall working conditions in developing countries. But **in general opening up for trade and foreign investment is part of the answer to do so**.

Including references to social and environmental issues in free trade agreements through sustainability chapters can help make a difference. But **we must be careful not to deter countries from entering into trade agreements** or make them difficult to conclude, by including requirements that are impossible to meet. This will be of detriment not only to the EU, but also to economic and social progress in developing countries.

Trade law and trade treaties lay down legally binding obligations on states. **Beyond the compliance with the laws put in place in the countries in which they operate**, European companies via their CSR policies include already a large number



SPEAKING NOTES

of social and environmental concerns in their business operations. And they apply these CSR policies in Europe and abroad.

To conclude, let me underline once again. Focussing on improving competitiveness is not making a gift to companies. It is working for more growth, more jobs and good working conditions for those in employment and improving employment prospects for job seekers.