

1997

Status Report on the Social Dialogue

Employment & social affairs



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1 1997 marks a further stage in the enhancement and extension of the Community social dialogue. The implementation of the provisions of the Social Protocol and the progress made on coordinating employment policies have played a major part in fostering the dialogue. Significant results were achieved at both cross-industry and industry levels.

The debate launched in late 1996 by the Commission's consultation paper on adaptation of the Social Dialogue stimulated widespread interest among the social partners. Some 300 participants discussed the future of the European social dialogue in the Hague.

The agreement on part-time work signed on 6 June 1997 by UNICE, CEEP and ETUC brought an end to seven years of fruitless endeavours within the Council and confirmed the role of the social partners in setting minimum requirements for terms and conditions of employment. The adoption of a Directive on 15 December 1997 implementing the social partners' agreement highlights the aptness of this approach.

The debate on the representativeness of the European organisations intensified. Positions became more entrenched on the whole, although the Commission did encourage negotiations to settle the matter. The action brought before the Court of Justice on 5 September 1996 by UEAPME against Directive 96/34EC on parental leave is the most visible outcome of that dispute.

Following the closure of a factory at Vilvoorde, the question of social backup for industrial restructuring came suddenly to the fore at European level. It became a key subject of the social dialogue.

Against that backdrop, the 1997 review of the Social Dialogue reveals powerful forces at work and definite weaknesses.

Directly consulted on the guidelines for employment and associated in all stages of their implementation, the social partners have sought to arrive at joint responses. Confronted with significant developments in the employment field and the setting in place of a coordinated strategy for action at European level, the social partners adopted, on the occasion of the Social Dialogue Summit, a joint declaration addressed to the special European Council on Employment held in Luxembourg.

The meeting between the social partners and the troika of Heads of State or Government and the links established with the Employment and Labour Market Committee boosted the partnership approach to employment. It is necessary, however, to build on these first exchanges and strengthen the ties, particularly in the context of reform of the Standing Committee on Employment.

Social backup for industrial restructuring and reinforcement of rules on worker information and consultation were issues that uncovered significant breaches however. The social partners failed in 1997 in their attempts to arrive at a joint responses here.

Cross-industry level

The social partners (UNICE, CEEP and ETUC) proved they were well able to make use of the provisions of the Social Protocol. They demonstrated that the negotiation of agreements is a credible, effective alternative for making headway on the social front.

Comment is called for, however, on the conclusion of the agreement on part-time work. It points up the lack of progress by the social partners in deciding to take the initiative and open negotiations; it also raises the question of the parties' capacity to meet the new challenges inherent in the advance towards economic and monetary integration.

Industry level: an edifice under construction

The industry-level Social Dialogue within the joint committees and informal working parties is a burgeoning and promising area of European social dialogue.

Inspired by the desire to play a role at this level and mindful of economic developments towards closer integration and trade, the social partners at industry level have sought and in some cases produced innovative responses.

In agriculture an essential breakthrough was made in the European social dialogue. For the first time an agreement signed at European level on a voluntary basis spells out the basic features of the employment relationship including the maximum working week, daily rest, breaks and maximum night work.

This agreement shows that there is a huge area open for negotiation which has hardly been exploited and could be turned to account at European level.

The textiles and footwear industries negotiated codes of conduct denouncing child labour. They endeavoured to draw up the ways and means for an upturn reconciling economic efficiency and social needs.

Sectors of activity undergoing upheaval prepared the ground for further advances. In telecommunications, sugar and tobacco, the principle of European Social Dialogue was acknowledged as a means of support for modernisation.

These developments are all the more noteworthy for in the principal areas of economic activity this idea of partnership is not endorsed. The added value of European dialogue is not always perceived by players who want to take advantage of the numerous disparities between the Member States in the social field.

This holds good for some crucial issues as well. Industry has failed to respond to the economic and social challenges of restructuring. Responses to implementation of coordinated action on employment and to the Commission's Green Paper on the organisation of work are uninspired or non-existent with the exception, however, of the cleaning industry.

Lastly, the social partners have been slow in organising themselves for action at European level. That is indubitably the biggest stumbling block on the path to European industry-level dialogue.

Developments in hand

Stimulated by Council Directive 94/45/EC of 22 September 1994, the dialogue at company level has definitely benefited from the moves in most Member States in support of such dialogue. But this trend gives rise to questions for, at the same time, the dialogue at industry level is progressing slowly and with difficulty. It also throws light on the limits of this dialogue, as the establishment of European works councils does not always result in more fruitful dialogue, particularly on the strategic approaches which companies adopt.

On the occasion of the opening of structured dialogue with the Employment Ministers of Central Europe, the features of the "European model of social consultation" were regarded as an integral part of the body of EU rules. So there is an urgent need to help the social partners in the applicant countries build up their industrial relations. The ETUC's European integration committees and employers' round tables are contributing to these efforts.

The focus on employment has given momentum to the tripartite approach. This has resulted in negotiations on and in some cases the adoption of pacts in a number of Member States. Much stronger partnerships have developed at local level, thanks in particular to European support for territorial employment pacts. ■

The Treaty of Amsterdam : a stronger institutional framework for the Social Dialogue

The 1996 Intergovernmental Conference concluded a new Treaty which will provide for advances in the areas of social affairs and employment policy mainly through the incorporation of the Agreement on Social Policy into the main body of the Treaty and the establishment of a whole new Employment Title. It substantially increases the role of the Social Dialogue in the European context and gives considerable powers and responsibilities to the social partners as key actors in the shaping of Social Europe and the establishment of a European industrial relations system.

The incorporation of the Agreement on Social Policy into the Treaty will mean an end to the two-speed social Europe and that the decision taken at Maastricht to proceed further in the Social Field will be firmly laid down in the Treaty. The importance attached to the development of industrial relations is also clearly shown by the fact that a reference to the Charter for Social Fundamental Rights for Workers has been introduced into both the Preamble of the Treaty and the new introductory article to the Chapter on social policy.

Secondly, a whole new Title on employment defines the Union's role regarding Employment. Achieving a high level of employment is now firmly established as an objective and a task of the European Union. Employment will be regarded as a matter of common concern and there will be a co-ordinated strategy for employment policies and the social partners will have the possibility to play an important role in this process.

The achievements of the Amsterdam Treaty establish the foundation of a coordinated approach which will be crucial for the European Union to face up to the major challenges that lie ahead in the near future, such as the introduction of the single currency and the enlargement process.

1. The Chapter on Social Policy

For the Social Dialogue, the new text of the Chapter on social policy will have several important implications. Firstly, the further development of a new legislative approach where the social partners can conclude agreements at European level which can serve as the basis for legislation on social matters directly under the Treaty. Now the social partners have to be consulted on any legislative proposal in the social field and may

initiate a suspension of the legislation process by entering into negotiations with a view to concluding a European agreement.

The introductory article to the new Chapter on Social Policy sets out the following objectives: the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to sustaining high levels

of employment and the combating of exclusion. A reference is also made to the European Social Charter of 18 October 1961 and the 1989 Community Charter of the fundamental rights for workers. This obliges the Community and the Member States to take into account the relevant elements of the Charters when promoting social issues under the Treaty.

Increased possibilities and demands

In general terms, the possibilities for the European Social Dialogue will imply also increased democratic, political and administrative commitments. It will require that, while respecting the autonomy of the social partners and maintaining the effectiveness of the Community legislative procedure, the system should be transparent, it should ensure that the views of all representative organisations are heard and it should stimulate the development of a real collective bargaining area at European level.

In the new Treaty the Commission is charged with the promotion of the consultation of management and labour at Community level and it shall take any relevant measures to facilitate their dialogue by ensuring balanced support for the parties. This requires a new flexibility in the set-up the structures provided for the dialogue in order to be able to meet new demands of actors wanting to make a real contribution.

The increased possibilities for the social partners to contribute to the shaping of legislation and policies at European level is also a huge challenge both politically and administratively.

In order to be able to take part efficiently in this process, the European organisations have to develop internal structures permitting them to react to developments at European level. This presupposes a real commitment from their members, giving them a mandate to negotiate agreements at European level and providing them with adequate resources and structures.

2. The new Employment Title

The new Employment Title lays down a yearly process to establish a co-ordinated strategy for employment policies. It is however important to emphasise that the main responsibility for employment policy will remain at National level.

The process is initiated by a Commission proposal on guidelines for national employment policies in order to promote a co-ordinated strategy. This proposal will be discussed with the social partners before it is considered by the European Council. The Council will then adopt the **Guidelines** by qualified majority voting on the basis of the conclusions of the European Council.

Secondly, each Member State shall provide the Council and the Commission with annual reports (**National Action Plans**) on the principal measures taken to implement its employment policy in the light of the guidelines. The importance of giving the national social partners a role in this process have been emphasised by the European Council as set out below.

Thirdly, on the basis of the National Action Plans and having received the views of the Employment Committee, which is to consult the social partners, the Council shall carry out an examination of the implementation of the employment policies of the Member States in the light of the

guidelines. On the basis of the results of that examination, the Council and the Commission shall make a **Joint Annual Report** to the European Council on the employment situation in the Community and on the implementation of the guidelines for employment.

The Council, acting by a qualified majority on a recommendation from the Commission, may, if it considers it appropriate in the light of the examination of the National Action Plans, make recommendations to Member States.

The Title also allows for incentive measures, i.e. financial support for the exchange of information and best practice or for pilot projects. Qualified majority voting applies here too.

In addition, all Community policies and activities have to take into account the objective of achieving a high level of employment.

3. Other Important Developments

Furthermore, in addition to the incorporation of the ASP into the Amsterdam Treaty, there are a number of important improvements in the Chapter on Social Policy.

Firstly, the new treaty opens the way for incentive measures to combat social exclusion which will enable the Union to develop ideas and actions on the basis of qualified majority voting (Article 137).

Secondly, an even higher priority has been given to equal treatment and equal opportunities for women through several reinforcements of the Treaty. The new article 141 demands that each Member State shall not only ensure that the principle of equal pay for male and female workers for equal work, but also for **work of equal value** (Article 141.1-2), is

applied, which is a much broader concept. Furthermore, the application of the principle of equal treatment in employment and occupation has been enshrined in the Treaty as well as the possibility for Member States to maintain or adopt new positive actions (Article 141.3-4).

Thirdly, in cases where the traditional legislative procedure is initiated, the co-decision procedure now applies for a majority of the measures in the social chapter with the exception of social security, protection for workers where their employment contract is terminated, and representation and collective defence of the interests of workers and employers, including co-determination. In this case, the Council will continue to act unanimously on a proposal from the Commission after consulting the European Parliament. The practical effect of the extension of the co-decision procedure to most social legislation will be an enhanced role for the Parliament in the social policy field.

Furthermore, outside the Chapter on social policy, an anti-discrimination clause (Art. 13) provides for possibilities for "appropriate action" to combat discrimination based on sex, racial or ethnic origin, religion or belief, age, handicap, sexual orientation, to be adopted unanimously by the Council. The European Year against Racism, in the context of which the social partners made several important contributions, will surely serve as a basis for future work in this field. ■

Employment: a Key Issue for the Social Partners

1. The Employment Summit: a new start

In Amsterdam, it was decided to implement the provisions of the new "Employment Title" early, (see point II-2) and to organise an extraordinary meeting of the European Council devoted to employment under the Luxembourg presidency (the Employment Summit).

The Employment Summit, which was held in Luxembourg on 20-21 November 1997, marks a new start: more specifically, it has defined a new co-ordinated European Strategy for employment and has agreed the Employment Guidelines. The Member States will now have to redefine their employment policies around four major priorities: entrepreneurship, employability, adaptability and equal opportunities.

► Four things need to be done as part of this new strategy:

- The translation by the Member States of the Employment Guidelines into national action plans;
- A consolidated report of these plans was drawn up by the Commission on 13 May, discussed by the Employment and Labour Market Committee on 14-15 May, then by the Social Affairs Council on 3-4 June, and was presented for discussion at the Cardiff European Council of 15 June. The discussion of the consolidated report on these plans will follow the same route as that of the Major Economic Policy Guidelines.

- On the basis of the results of this discussion, the Commission and the Council will submit a Joint Report on Employment to the Vienna European Council on 15 December 1998.
- The Commission will present its new draft Employment Guidelines for 1999.

► The social partners are involved in the employment strategy in various ways:

• Social Dialogue Committee

The meetings of the Social Dialogue Committee are a key instrument because they will co-ordinate the contribution of the social partners to the follow-up to the Employment Summit.

• Employment and Labour Market Committee

The Employment and Labour Market Committee (ELMC) will invite representatives of the social partners to its meetings. Furthermore, the steering group of the ELMC had the opportunity to learn of the social partners' contribution to the Employment Summit during informal consultations with them on 10 September and 15 October 1997.

• Meetings with the Presidency of the Council

The social partners are to have two meetings in 1998 with a troika of heads of Member States and of governments and with the Commission, before the two European Councils of June and December.

The Guidelines and the role of the social partners

The Conclusions on Employment drawn up by the Presidency of the European Council have given a significant role to the social partners. They have been included in the new strategy at two levels:

• First, they were included in the monitoring exercise:

«In connection with the need to strengthen the Social Dialogue, the social partners, at all levels, will be involved in all stages of this approach and will contribute to the implementation of the Employment Guidelines. This contribution will be evaluated regularly.»

Regular contacts with the Council will ensure the sound preparation of the half-yearly meetings of the social partners with a troika of heads of Member States and governments and with the Commission before each European Council. These contacts between the Council and the social partners will allow a thorough exchange of views on the implementation of the 1989 Community Charter on the basic social rights of workers.»

- They were then invited to contribute in their own areas of responsibility:

- Improve the capacity for occupational integration

“The social partners are earnestly invited, at their different levels of responsibilities and of action, to speedily conclude agreements which will increase opportunities for training, work experience, work placements and other measures likely to facilitate the capacity for occupational integration.»

- Modernisation of the organisation of work

“The social partners are invited to negotiate, at appropriate levels, and in particular at industry and company level, agreements aimed at modernising the organisation of work, including flexible work arrangements, so as to make companies productive and competitive and to achieve the necessary balance between flexibility and security. Such agreements may for instance pertain to the annualisation of working time, the reduction of working time, the reduction of overtime, the development of part time work, lifelong training and career breaks.»

2. The contribution of the social partners at the Employment Summit

During the meeting of the **Social Dialogue Committee** of 3 July 1997, which brought together UNICE (Union of Industry and Employers' Confederations of Europe), ETUC (European Trade Union Confederation) and CEEP (European Centre of Public Enterprises), the Social Partners declared that the forthcoming Employment Summit in Luxembourg was for them an opportunity to issue an appeal for the close integration of economic and employment policies, to clarify the procedures by specifying the roles of each participant, and to present their contributions to the process. They proposed to hold a Social Dialogue Summit in preparation for the Employment Summit.

Held at the Palais d'Egmont in Brussels on 13 November, this **Social Dialogue Summit** brought together representatives at the highest level - Presidents and General Secretaries - of the member organisations of UNICE, CEEP and ETUC. Chaired by President Santer, this meeting was held in the presence of Commissioner Flynn and of the sitting President of the European Council, Mr Juncker.

For the social partners, the purpose of the summit was to send a joint message to the Employment Summit in Luxembourg.

In its “Draft guidelines for employment policies in the Member States in 1998,” the Commission called for a collective commitment to fight unemployment and to promote employment. It appealed strongly to the national and European social partners, in particular in the areas of occupational integration and the improvement of the organisation of work.

Two issues (the impact of reduced working time on employment, and information for and consultation of

workers, especially in the event of industrial restructuring) divided the delegations deeply.

This declaration of the social partners provided support for the Commission's draft Employment Guidelines and defined their priorities for commitment at European level. They thus announced that they intended to complete their agreement on part-time work by “examining the need to open a new round of negotiations”. They undertook to prepare a “project exchange” on youth employment with the support of the ESF, which would improve the involvement of economic and social actors in youth integration programmes. They also announced that they intended to draw up a compendium of good practices concerning the employment of handicapped people.

Other social partners also made a contribution. For instance, several of them, such as industrial cleaning, trade, agriculture, public services and textiles, convened in industry forums of the Social Dialogue, adopted joint texts. ■

IV

The Activities undertaken

Activities

1. At cross-industry level

Activity at cross-industry level in 1997 was marked by the signing of the Framework Agreement on part-time employment on 6 June and by the activities of the Social Dialogue Committee, which served as the forum for preparing the contribution of the social partners to the Employment Summit.

A. The Framework Agreement on part-time work

As no progress had been made at Council on the draft directives on part-time and temporary work proposed by the Commission on 29 June 1990, on 27 September 1995 the Commission decided to launch the first phase of consultation with the social partners in accordance with the procedure laid down in Article 3 of the Agreement on Social Policy (ASP). The second phase of consultations was launched on 9 April 1996.

On 19 June 1996, UNICE, CEEP and ETUC announced that they intended to negotiate an agreement on part-time work. In the Hague one year later, on 6 June 1997, these three organisations signed a Framework Agreement.

This agreement has a double objective:

- to prevent all forms of discrimination between part-time and full-time workers and improve the quality of part-time work; and
- to promote part-time work on a voluntary basis, and thus contribute to a flexible organisation of working time.

At the request of the three organisations, the Commission adopted, on 23 July 1997 (on the basis of Article 4, paragraph 2 of the ASP) a Council proposal for a directive transposing the Framework Agreement on part-time work into Community law. The Directive was adopted by the Social Affairs Council on 15 December 1997.

This is the second Framework Agreement concluded by the social partners at European level, the first being on parental leave.

B. The activities of the Social Dialogue Committee

a) The contribution to the Employment Summit

At the Social Dialogue Summit held in Brussels on 13 November 1997, the social partners adopted a joint contribution to the Luxembourg Employment Summit (see point III).

The conclusions on employment drawn up by the Presidency of the Luxembourg European Council, which was held on 20-21 November, have assigned a significant role to the social partners. These are now closely associated with the new, co-ordinated European strategy on employment (see point III).

b) Implementation of the Dublin "Declaration on Employment" of November 1996

The Social Dialogue Committee devoted a large part of its work to the implementation of the "Declaration

on Employment" adopted by the social partners in Dublin in November 1996, in particular as regards **youth employment**. The social partners had in fact called for a wide mobilisation by the public authorities and companies to help those finding it most difficult to become integrated into the labour market.

Commissioner Flynn had announced that he was prepared to support a joint initiative by the social partners on youth integration. The formal request by the social partners reached the Commission at the end of 1997. A **youth employment initiative exchange** will be held in the autumn of 1998 to set up concrete actions for the occupational integration of young persons, to compare methods and approaches and to obtain information.

c) Social aspects of industrial restructuring

As envisaged at the informal Rotterdam Council, on 15 April 1997 the president of the Social Affairs Council, Mr Melkert, and Commissioner Flynn convened the social partners for discussions on the information and consultation of workers in the event of economic restructuring. During this meeting the Commission announced that it intended to add to the existing provisions on information and consultation.

This question was discussed again at the Social Dialogue Mini-Summit in the Hague on 6 June. At this meeting, the social partners confirmed their determination to conduct a medium-term discussion on the social implications of restructuring.

In view of the difficulties encountered, and further to the conclusions of the Employment Summit, at the beginning of 1998 the Commission set up a high-level Expert Group to study the economic and social implications of industrial changes in the European Union, and to examine ways to anticipate such changes so as to ensure a positive and co-ordinated approach to their economic and social consequences. An initial report by this group was submitted to the Council after consultations with the social partners, and was transmitted to the Cardiff European Council.

d) Technical seminars

Several thematic seminars were held with the social partners in 1997. They provided an interesting exchange of views and a thorough discussion of various issues. These seminars covered sexual harassment (30 April), the protection of complementary pension rights for people exercising their right to freedom of movement (26 May), equal opportunities for handicapped people (18 June), and the modernisation and improvement of social protection in the European Union (24 June).

During the seminar on equal opportunities for handicapped people, it was agreed to create a working party to draw up a compendium of good practices on the integration of handicapped people into the labour market. This group held two meetings in 1997, on 30 October and on 1 December, to establish criteria for selecting projects. The compendium should be finalised by the end of the first half of 1998.

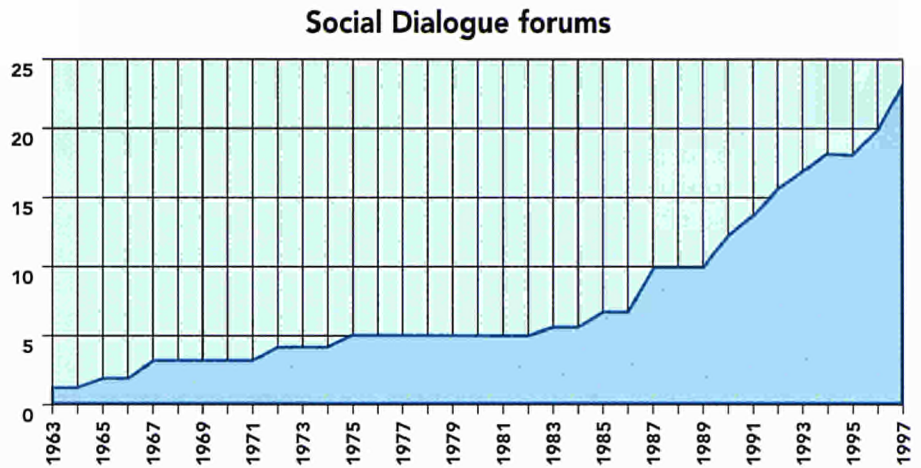


Fig. 1

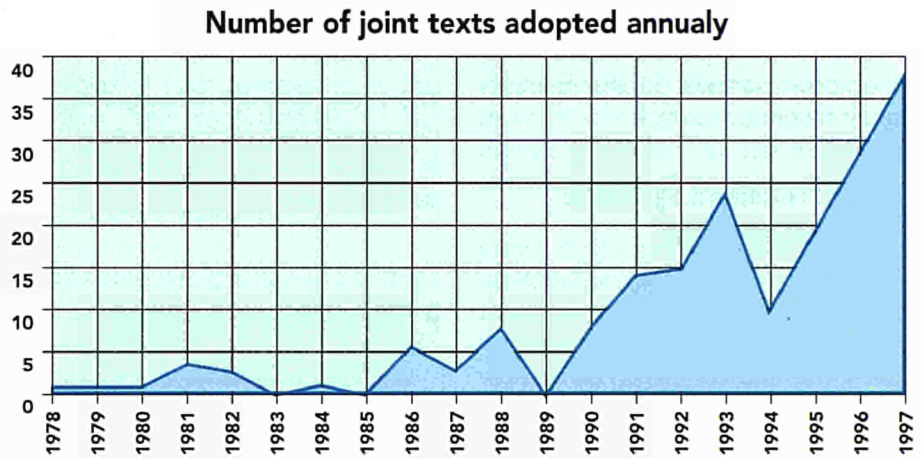


Fig. 2

2. At industry level

A. The industry Social Dialogue in figures

The number of sectors included in the Social Dialogue has been growing since the mid-1980s, and this trend continued in 1997. The number of industries with such a forum has tripled over the last decade, and by the end of the year, 23 sectors were active. [See fig. 1]

This trend should be maintained in future years, as several sectors and even sub-sectors have requested Commission support.

But in addition, the forums have become more active. In fact the number of joint texts adopted by each sector has risen from 0.7 to 1.5 per year on average. [see fig. 2]

These joint texts cover numerous areas. The majority concern opinions and recommendations on Community initiatives on economic policy. This preponderance results primarily from the consultation mission of the nine Joint Committees.

Nevertheless, other fields are gradually growing in importance too. The social partners at industry level made a major effort to develop co-operation on topics that fall within their traditional remit. This trend characterises all sectors. Moreover,

recent developments in the Joint Committees, in particular in connection with employment and working time, should strengthen this trend in future. [see fig. 3]

B. Agreement in the agricultural sector

In 1997, a step was taken which is fundamental not only in the history of the European social dialogue in the agricultural sector, but also, one might say, in that of the industry-level Social Dialogue itself. On 24 July, the social partners of the sector signed the **Framework Agreement on employment in agriculture** in the countries of the European Union. This is the first real voluntary and independent agreement at European level. It shows that the social partners can develop a real contractual relationship if they have the political will for it. This is a major message at a time when the social partners are facing increasing demands, in particular in sectors faced with industrial restructuring.

The text of the agreement constitutes the response of the social partners of the agricultural sector EFA/ETUC - GEOPA/COPA) to the Confidence Pact launched in 1996 by President Santer. On that occasion, the Commission had asked the social partners to assume their responsibilities at all levels in the strategy to promote employment. This is the first example of industry-level negotiations at European level, aimed at defining the framework for negotiations on working conditions at all the other levels (national, regional and local). It takes up the major arguments of the Employment Guidelines laid down by the Commission, in particular as regards the requirements of flexibility and reduction of working time. It was signed in the presence of the Commissioner for social affairs, Pádraig Flynn, by the President of COPA (Committee of Agricultural Organisations in the

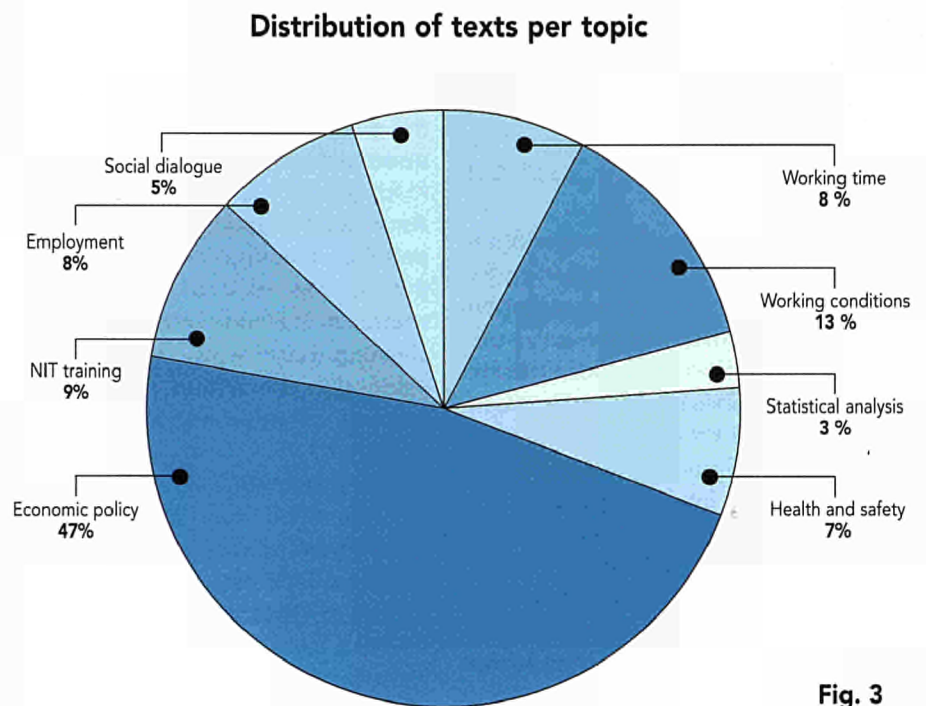


Fig. 3

European Community), Luc Guyau, by the President of GEOPA (the Employers' Group of COPA), José Bohorquez, by the General Secretary of the European Trade Union Confederation, Emilio Gabaglio, and by the President of EFA (European Agricultural Workers' Federation), Francesco Orsomando.

By this agreement, the signatory parties reduce the maximum limit of annual working hours to 1,827 (from the 1,880 fixed in a convention signed in 1978 by EFA and COPA), with an average of 39 hours a week. They fix a framework for flexible working time, by varying the working week depending on climatic conditions and the nature of production. They affirm the principle of the flexibility of individual working time (training leave, parental leave, career break, etc.). The agreement also covers a guaranteed income from work, overtime regulation, daily rest (a minimum of 12 out of 24 hours, of which 11 consecutive), weekly rest (48 hours per week, of which at least 35 consecutive), night work, periods to be considered as working hours

and holidays. The starting point of these negotiations was Directive 93/104 on working time.

Since it was signed, the agreement has been disseminated among the organisations of the sector's social partners in several countries, as well as at regional and local level. It will constitute the reference document for all collective bargaining in the EU Member States. In 1998, several countries plan such negotiations in the sector, including Austria, Belgium and Italy. The Joint Committee on agriculture will have the task of evaluating, every two years, the application of the agreement in the Member States.

C. The sectors

■ AGRICULTURE

Most of the other Social Dialogue activities in this sector during the year concerned the implementation of the commitments contained in the Agreement. For example in June 1998 in Strasbourg, the social partners organised a Forum on continuing vocational training in agriculture, which delved into co-operation on training, in particular as regards qualifications. Other negotiations could be launched in the wake of the Agreement of 24 July, in particular as regards vocational training or health and safety at work.

At its January plenary session, the Joint Committee approved the report on the working conditions of agricultural employees, which is a valuable source of information on the various legal and contractual situations in the 15 member countries. It was then published and widely disseminated with the help of the Commission.

■ CLEANING

In 1997, the social partners of the cleaning industry, FENI and Euro-Fiet, largely continued work on the development of employment in the sector. Further to the joint memorandum on new sources of employment in the sector signed by the social partners in 1996, they organised a major seminar in Brussels on 9 and 10 October 1997. They consider that nearly a million new jobs could be created in the field of **home cleaning**, where strong needs are being felt. But this requires the public authorities to take various mobilisation measures. The challenge is huge: the solvency of demand from private individuals must be sustained while improving the quality and working conditions of jobs offered by cleaning companies. This seminar marked the official launch of a series of national round

table conferences that will be held in all EU countries to carry the discussion to national level and convince the public authorities to take measures to develop these new jobs.

As regards vocational training, FENI and Euro-Fiet finalised the project in the Leonardo da Vinci programme to create a training course in office cleaning (basic level). The tools developed in connection with this programme will be widely disseminated.

In December 1997, FENI and Euro-Fiet identified their working topics for the next year: vocational training (development of a training project for home cleaners and the production of a booklet on health and safety), follow-up on new sources of employment, and equal opportunities between men and women. The issues of public contracts and, linked to this, false self-employed workers, will also be tackled.

■ COMMERCE

The social partners of the commerce sector, EuroCommerce and Euro-Fiet, worked essentially on the topic of **employment**, in extending their joint opinion "Promoting employment in European Commerce," signed on 7 February 1997.

They focused their work, which included an action-research project, on the employment consequences for the sector of a number of important changes currently under way: **electronic commerce, the introduction of the Euro** and the information and training needs of employees, **part-time work, new forms of organisation of work**, etc. The results were presented as a joint contribution to the Extraordinary Employment Summit held in Luxembourg on 21 and 22 November 1997. They will also be the object of a conference on commerce in Brussels in October 1998.

Other topics also attracted the attention of the social partners. For exam-

ple, a working party on the **prevention of racial discrimination** was set up. They also drafted a joint response to the **Commission's Green Paper on commerce**. Furthermore, EuroCommerce and Euro-Fiet are preparing an initial series of round table conferences with their counterparts in Central and Eastern European Countries (Estonia, Czech Republic and Hungary) and are carrying out a training project on the Social Dialogue (Dialco) financed by the European Social Fund.

EuroCommerce and Euro-Fiet consider that the commerce and distribution sector will continue to play a decisive role in creating jobs in Europe. Therefore, the social partners representing commerce should be consulted directly on all European questions linked to employment. They also consider that the interests of commerce must be fully represented in the European social dialogue, both at industry and at cross-industry level. They therefore stress the need to take part in discussions on Community initiatives that have an impact on the commerce sector.

■ CONSTRUCTION

The Commission organised a seminar on 24 and 25 March on training and access to employment in the construction sector, which gave the social partners an opportunity to exchange information and points of view on these two very closely related topics that will affect the future of the sector.

The European social partners of the construction sector, FTBB and FIEC, signed a **joint statement on the application of the Directive on the secondment of workers**. This agreement recommends the establishment of certain co-ordinating principles at European level to guarantee the protection of seconded workers, by avoiding double taxation for companies which send their workers to another Member State. Co-ordi-

nation in this field is proposed through bilateral agreements prepared by the social partners from the construction sector in the various Member States.

■ CULTURE

The third Conference of Theatre Workers was held in Palermo in April 1997: the topics of discussion were training, working conditions (including intermittent work), working hours, financing and investment.

The trade unions (EURO-MEI) and the employers (PEARLE - Performing Arts Employers Association League Europe) decided to tackle the issue of finance for European theatre and to draw up a list of minimum requirements for the training of theatre technicians.

Furthermore, an initial Conference of plastic artists was held in Barcelona in November 1997. Several topics were discussed at this conference: social security, copyright (and in particular its transmissibility), the right to be paid during exhibitions, and the taxation system.

■ ELECTRICITY

The social partners of the sector (FSESP and EURELECTRIC) focused their exchanges on vocational training, quality, new technologies and equal opportunities.

The also discussed the following subjects: the Green Paper on the organisation of work, new technologies, equal opportunities, lifelong education and training, health and safety.

■ FOOTWEAR

On 21 October 1997, the social partners of the footwear sector signed an **update of the Charter on child labour** drawn up in March 1995.

Considering that child labour is an intolerable violation of human rights, the social partners undertake, through the Charter, to contribute to the implementation of actions aimed at eliminating the use of child labour in all forms, and to support measures and programmes aimed at eliminating all recourse to child labour in the manufacture and distribution of footwear.

The social partners agreed to draw up an annual report on the implementation of this charter.

A study on the **"changing training needs in the footwear sector by the year 2005"** was completed. This two-year, tripartite study involved training centres, employers and trade unions in each Member State, and also at European level. To follow up this study, the CEC and the FSE/THC took part in an initial round table conference for the decentralised dissemination of the results organised in Dublin. A second such conference is to be organised by the ISFOL training and research centre and the Italian social partners in 1998.

Various other questions were broached by the industry-level Social Dialogue during the year, such as **defining criteria for ecological labels, networking European training centres, the Green Paper on the organisation of work** and a possible **industry pact for employment**.

■ GRAPHICS

The Commission launched a **study** which will last until June 1999 to assess the economic, technological, social and environmental challenges that the European graphics industry will have to meet in the next five years and to propose strategies to improve the competitiveness and commercial performance of this sector.

■ INSURANCE

The social partners of the insurance sector (EURO-FIET, CEA, ACME and BIPAR) signed their first joint opinion on 31 January 1997 concerning the 1996 Communication on Social Dialogue at Community level.

They also examined the feasibility of setting up an Employment Observatory to study quantitative and qualitative aspects of employment in the insurance sector.

Furthermore, they undertook to sign, at the beginning of 1998, a joint opinion on the Commission's Green Paper on the new organisation of work.

■ JOURNALISM

On 9 July, the European Newspaper Publishers' Association (ENPA) and the European Federation of Journalists (EFJ) adopted a **Final Declaration** which stressed the need for self-regulation and a more intensive dialogue between professional organisations in the media industry and governments.¹

Furthermore, in connection with the European Year against racism, publishers, radio and television broadcasters, as well as journalists who are members of EFJ, ENPA and the EBU (the European Broadcasting Union) adopted a Final Declaration on 10 and 11 July in which they agreed to encourage the Social Dialogue in the media and to intensify exchanges of information on how to tackle the issues of tolerance and racism.

1. This declaration is available from the European Commission in English and French.

■ POSTAL SERVICES

The social partners (International of Postal and Telecommunication Services, EUROFEDOP and public and private operators) have issued several opinions on the situation of the regulatory framework of the postal sector and on the draft communication on the application of competition rules in the postal sector.

The final report of the study on employment trends in the postal sector gave rise to extensive exchanges of views and to recommendations, which in particular concerned the modernisation of the organisation of work, the continuous development of skills and qualifications, possibilities of reducing working hours, etc.

In 1998 the social partners may adopt a draft Framework Agreement on a medium-term work programme covering in particular telework and new forms of work organisation (the principle of which was agreed in 1997).

■ PRIVATE SECURITY

The social partners in the private security sector, COESS and Euro-Fiet, have devoted a large part of their activity to the follow-up, at national level, of two joint opinions they adopted in September 1996, one on regulation and licensing and the other on vocational training.

The social partners continue to believe that national **regulations** concerning the sector should include minimal provisions, requiring in particular a system of accreditation for companies permitted to operate and principles of access by employees to high-risk jobs, as well a clear division between those security tasks which are the responsibility of the public authorities and those which can be entrusted to the private sector.

The private security sector also wishes to enhance its professionalism by of-

fering a superior quality service, requiring a major **training** effort for employees and contractors. This objective, which is contained in the joint statement, will be implemented through a Leonardo da Vinci project on which the social partners started working in 1997.

A **study** was also launched to update knowledge on the economic and social characteristics of this booming sector in every Member State. This study will facilitate the preparation of a second conference of the industry's social partners to be held in Berlin in 1999, the main topics of which will be public contracts and the quality of services.

■ PUBLIC SERVICE

The Council for European Municipalities and Regions - Employers Platform (CEMR-EP) and the European Federation of Public Services Unions (EPSU) considered several issues in 1997. They reached agreement over a joint contribution on the Communication on Social Dialogue and in November 1997 they adopted a joint statement on employment.

The joint statement on Employment underlines the important role local and regional authorities play in the European labour in a variety of ways: as employers, as the main proponent and initiator of economic development, and in assisting the most vulnerable groups in society; recognises the importance of setting employment targets and concrete national measures and policies;

It was emphasised by the two partners that their national affiliates should bring the joint-statement to the attention to the Member States in the framework of the social partner contribution to the National Action Plans on Employment.

Furthermore a **Round Table Conference** was organised in the Hague on the 28 May 1997 by the Council on Public Industrial Relations, a plat-

form for deliberation between employee organisations and employers in the public service. Director Generals for the public service of various Member States, the CEMR-EP, the EPSU and the European Commission participated in the conference. The discussions were centred on the questions of free movement of workers and civil servants, especially as regards access to social security, and flexibility of labour contracts and relations within the public sector and Social Dialogue.

■ SEA FISHING

The activity of the Joint Committee on fishing focused primarily on **working time**. Fishing is in fact one of the eight sectors that were excluded from the application of Directive 93/104 on working time.

The debate in the sector, launched in July 1997 by the Commission with the White Paper on the sectors excluded from the directive, is currently under way. This debate is proving difficult for various reasons: the search for a balance between the safety requirements for workers, which are urgent in this dangerous activity, and the preservation of the specific features of the sector, in particular the availability of the resource, climatic conditions, the structure of fishing companies and share fishing by groups of workers.

Given the knowledge that employers and workers have of the sector, the Joint Committee was recognised as the appropriate place to continue this discussion and look for an agreement. A common position has not yet been achieved.

Joint positions were achieved, or joint activities carried out, on other priority issues, such as health and safety (the prevention of accidents aboard fishing vessels), vocational training and the environment. The Committee presented the latter at the Bergen Conference on the North Sea.

■ SUGAR

On 12 November 1997, the social partners of the European sugar industry (CEFS and ECF-IUF) signed an **Agreement creating a common working structure** to lead to concerted action as and when appropriate. In this agreement, they expressed their wish to deepen their dialogue and possibly to intervene jointly as required in the social protocol. They also launched a pilot project entitled "Active/interactive safety in the sugar refinery" aimed at reducing the number of industrial accidents. This is a three-year project (1996-1999) and has received EU aid through the Leonardo da Vinci programme.

■ TELECOMMUNICATIONS

The social partners (International of Telecommunications, EUROFEDOP and public and private operators) issued several opinions on important subjects (numbering policy, new organisation of work, the social dimension and the labour market in the information society).

The final report of the study on the employment effects of liberalisation in the telecommunication sector has been the subject of extensive discussions that have led to a joint opinion. The social partners have decided, by a very broad consensus, to launch an employment and vocational training initiative at EU level (a series of round table conferences on employment).

Finally, they drew up a **recommendation framework agreement** for the sector. This is a very important **medium term work programme** that will enable them to work together in such areas as telework, lifelong training, equal opportunities, flexibility and job security, and health and safety at work.

■ TEXTILES AND CLOTHING

On **22 September 1997**, the social partners of the textiles and clothing sector signed a **code of conduct**, thus bringing to fruition virtually two years of negotiations through the industry's Social Dialogue at European level.

This Code, the first of its kind signed in Europe, expresses the volition of the social partners EURATEX and FSE/THC, to persuade European companies to respect, throughout the world, the basic human rights at work as established by the ILO Conventions on:

- the ban on forced labour (Conventions 29 and 105);
- the freedom of association and the right of negotiation (Conventions 87 and 98);
- the ban on child labour (Convention 138);
- non-discrimination in employment (Convention 111).

The social partners undertake to disseminate and promote the code of conduct and to monitor its progressive adoption, and in particular to evaluate the implementation of the Charter annually, through dialogue at European level.

In addition to the finalisation of the code of conduct, the activities of the industry-level dialogue for 1997 concentrated on the completion of two **Leonardo da Vinci projects**. The first project concerns a **study** on the "promotion and recognition of **multi-skilling in textile and clothing companies**." The conclusions of this study should serve as a basis for European recommendations. The second project on the "**transparency between supply and demand of technical textiles**" is being implemented.

As regards the guide on subcontracting published by UNICE and the Commission, the social partners (EURATEX and FSE/THC) intend to propose the addition of chapters devoted more specifically to the tex-

tiles and clothing sector, one of which would deal with **illegal work**.

Finally, further to the tripartite working parties established by Commissioner Bangemann to draw up recommendations on how to improve competitiveness and employment in companies in the textiles and clothing sector, the social partners at European level have produced a joint report. This report, which proposes a series of actions that can be undertaken by the Union, the Member States and/or the social partners, has led to a Commission Communication to the Council. Several lines of action to safeguard competitiveness and employment in the sector were thus identified, in particular on the social front (maintaining employment, reducing social security and tax charges, promoting training, questions relative to "social labelling"). Once the Industry Council has adopted its conclusions concerning the Commission's proposal for an Action Plan for the Competitiveness of the European Textiles and Clothing Industry, it will be possible to make further concrete progress in these various areas, including within the European industry-level social dialogue.

■ TOBACCO

A very important step was taken in the tobacco sector with the agreement concluded between ECF-IUF and GITES, the Grouping of European Tobacco Industries, which **establishes the objective and structure of a Social Dialogue at European level** as well as the obligations of the signatory organisations. This agreement will make it possible to introduce a system of information and consultation on social policy in general and on all questions to do with EU tobacco policy.

■ TOURISM

The social partners of the **Hotel and Catering – Tourism sector** (ECF-IUF and HOTREC) have paid particular attention to the effects of the VAT rate on employment. In their joint statement of 17 September 1997, the two organisations called for a reduced VAT rate for hotel and catering services in all EU countries in order to maintain the sector's capacity to create jobs.

■ TRANSPORT

Discussions on **working time** dominated the activities of the joint committees in the transport sectors in 1997. This is because the Commission's adoption on 15 July 1997 of the white paper on the sectors excluded from the directive on the orga-

nisation of working time (93/104/EC) triggered the process of consultation and negotiations in the various Transport Joint Committees.

The social partners of the **maritime transport** sector managed, after five years of negotiations, to conclude an agreement at working party level. A draft agreement may be adopted in the near future.

The **road transport** committee initiated exploratory discussions in the subject which are being continued in 1998. Furthermore, the Committee has monitored closely the introduction of a new generation of tachographs, an instrument that will make it easier to check the drivers' rest hours.

The **civil aviation** committee is involved, through a special working party, in negotiations on the limitation of flying time.

The social partners in the **railways** sector have adopted three opinions, two on rail policy at European level, in particular on the white paper concerning the revitalisation of European railways, and the other on working time in sectors excluded from the directive on working time.

■ WOOD

The work undertaken by the social partners of the European wood industry (FTBB and CEI-Wood) have borne fruit with the signing on 29 October 1997 of an agreement on the sustainable use of forests. In their joint statement, the two European organisations make concerted proposals to preserve natural resources, and undertake to support initiatives aimed at protecting the forests, in co-operation with the producer countries.

3. At multi-industry level

In connection with the Social Dialogue and equality between men and women, the European Commission has carried out a study that reviews the literature and identifies good practice in a number of sectors on **reconciling working life with family life**, and gives an overview of the situation in this field. The social partners of a large number of sectors have monitored this study closely through a steering committee.

This study is also intended to encourage European social partners at industry level to place greater importance on the issue of **equality between men and women** in their work. The aim is not to make an in-depth analysis of each sector; rather, the social partners have to decide how to follow up the results of these studies in their respective sectors. This follow-up could take various forms (seminar, more detailed study, transferability of good practices, code of conduct, etc.). The social partners of some sectors (textiles and clothing, public services, etc.) are already thinking about concrete projects.

4. Opening to Eastern countries and decentralised Social Dialogue

A. Enlargement

The issue of the future enlargement of the European Union by the accession of candidate Central and Eastern European countries occupied centre stage in European developments in 1997. In July, the Commission adopted the **Agenda 2000** plan, which is subtitled "for a stronger and larger Union." In December,

the Luxembourg European Council charted the course of negotiations scheduled to commence on 30 March 1998.

The opinions of the Commission on the applications for accession, which constitute an essential part of Agenda 2000, stress the need to strengthen the Social Dialogue in countries where the social partners are still insufficiently independent and representative.

It is therefore very logical that the **structured dialogue**, proposed for the first time to the Employment Ministers of Central and Eastern Europe at the Social Affairs Council of 7 October 1997, devoted particular attention to the implementation of provisions that fix a framework for the social dialogue. The opportunity was seized to emphasise the need to reconsider the old models of industrial relations in Central and Eastern Europe, and to move towards a more modern legal framework that guarantees the independent intervention of employers' and trade union organisations.

This issue was also discussed when Commissioner Flynn went to Prague, Budapest and Warsaw in 1997. In these three cases, specific meetings with the social partners were arranged.

To enable the social partners of candidate countries to prepare to participate effectively in the various structures of the Social Dialogue, the Commission has endeavoured to support the initiatives of **European social partners** in Central Europe.

Thus in 1997 the Commission supported the strengthening of the "European integration committees" established by the **European Trade Union Confederation** in each of the candidate countries. These structures ensure an organised and sustained monitoring of issues to do with enlargement by Central European trade unions that are ETUC mem-

bers. The Commission has more generally supported the organisation by ETUC of numerous meetings or conferences at which Central European trade unionists could take part in European discussions, both at the cross-industry and the industry level, as well as in certain border regions.

The Commission has also endeavoured to help strengthen **employers' organisations**. This issue must be considered as a matter of top priority at a time when most Central and Eastern European countries are going through major privatisation movements which will force employers' organisations to entirely re-think their economic and social functions. At the initiative of the Italian employers and in agreement with UNICE, a round table conference was held in January that led to the first exchange of experiences between representatives of employers' confederations of Central and of Western Europe. The participants issued a joint statement at the end of their deliberations expressing the wish to have such an exchange of information take place on a regular basis. A second round table conference was organised on this premise in Prague in January 1998 by the Czech employers' confederation.

It is vital that, in the negotiations which will open in 1998, the EU *acquis social* to be adopted by the candidate countries should take into account not only the legal dimension of this *acquis*, but also the "European model of concerted social action" which transcends the diversity of national models. The implementation of EU legislation on social matters actually requires active social partners not only at the national level, but also in companies.

B. Regional development

1997 was marked by interesting developments in the Social Dialogue at the regional and inter-regional level which attest to:

- Increasing vitality at the regional level within the social dialogue. This phenomenon is especially marked in cross-border regions which are called upon to play the role of "mini-laboratories" of European integration, and by contrast also in regions whose remoteness strengthens their specific local characteristics.
- The growing importance of local development dynamics, which entail greater involvement by small and medium-sized businesses and the implementation of local partnership actions. These have led the Commission to encourage the development of territorial employment pacts.

As in preceding years, the Commission has supported the activities of the thirty-seven **inter-regional trade union councils** set up by the European Trade Union Confederation in border regions. In 1997 particular attention was paid to the issue of implementing the directive on the secondment of workers for the provision of services, in regions particular-

ly concerned by the freedom of movement of workers.

Furthermore, three **pilot projects for the promotion of a cross-border Social Dialogue** were implemented in close co-ordination with the EURES network. The social partners of the Gronau-Enschede region (Dutch-German border) took stock of the obstacles to the completion of a 'Euro-regional employment market'. In the European Development Zone (Grand Duchy of Luxembourg, Belgian Luxembourg, French Lorraine), an inventory of the Social Dialogue institutions in the three regions is being prepared. For their part, the social partners of Hainaut, Nord-Pas de Calais, West Flanders and Kent have launched a campaign on two issues: the development of neighbourhood services and an analysis of the impact of two European directives (on parental leave and the secondment of workers).

For the first time, the Commission has supported a project to promote the social dialogue in **outlying regions the Community**, the specific handicaps of which were taken into account in the new Article 299§2 of the Treaty on European Union.

A few months after the initial meeting between trade unionists, UPEC (the Economic Union of the outlying

regions of the Community) initiated a meeting between representatives of employers and trade unions from the Canaries, Madeira, the Azores and Martinique, which gave rise to an extremely fruitful exchange of experiences. In a joint statement, the social partners from these regions expressed their wish to pursue other initiatives in 1998 that should make it possible to improve the impact of the European Social Dialogue in the regions of Europe located furthest from Brussels.

In several Member States, the social partners have stepped up their action at **regional level**. This phenomenon is already familiar in countries that have autonomous regions or a federal structure, but new developments were seen in 1997. By way of illustration, the Commission supported the organisation in December of a major conference devoted to the European Social Dialogue, organised by the social partners of the Midlands (United Kingdom). This trend is likely to strengthen the role of local authorities in the structures set up by the European social partners. ■

