



EU Employment Practice Group

February 2010

EU Developments

Metalworkers launch social dialogue

The metalwork sector is the largest in the EU in terms of employment and represents some 200.000 corporate entities active in a range of industries including aerospace, construction, manufacturing, transport and utilities. The sector, which employs around 13 million workers in the EU, has been badly hit by the recent global economic and financial crisis. In order to help the industry face challenges such as globalisation, management change and the restructuring process, trade unions and employers have launched an historic sectoral dialogue at EU level.

The new Social Dialogue Committee will enable the Council of the Employers of the Metal, Engineering and Technology Based Industries (CEEMET), which represents the interests of employers' organisations in the metal, engineering and technology-based sectors from 22 countries, and the Metal Workers Federation (EMF), which represents 75 metalworkers' unions from 34 countries, to negotiate binding agreements at EU level.

The EMF and CEEMET have identified 5 possible topics for future discussion over the next two years:

- Internal competitiveness
- Anticipating skills requirements
- Managing an ageing workforce
- Worker mobility
- Research & development and innovation

Since 1998, the European Commission has created 37 sectoral dialogue committees. Sectors impacted include: textiles and clothing, telecommunications, Horeca, construction, furniture, banking, road transport, agriculture and fishing, mining, personal services to name a few. These committees have adopted more than 300 texts including autonomous agreements, codes of conduct, and frameworks of action.

Sectoral dialogue committees are a form of social dialogue and, due to their representativeness, have the right to be consulted by the Commission on legislative initiatives under Article 154 TFEU, and may decide to negotiate binding agreements themselves under Article 155 TFEU. Over the years, European social dialogue has resulted in over 300 joint texts by the European social partners.

Link to [CEEMET Press Release and Rules of Procedure](#)

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This newsletter briefly describes EU employment developments

Due to the general nature of its content, this newsletter is not and should be regarded as legal advice.

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Growth and Jobs

Jobs in Europe to become more knowledge- and skills-intensive

On 15 February, the European Council held an exchange of views on the role of education and training in the effort to promote jobs and growth in the EU. On the same occasion, the European Council and European Commission also adopted their joint progress report on the implementation of the “Education & Training 2010” work programme. According to the findings, the majority of the “benchmarks” agreed on will not be reached in 2010.

The progress report highlights that, despite a “general” improvement in the EU’s training performance, various challenges still remain, *inter alia*, implementing lifelong learning programmes, increasing mobility, making training more “open” and “relevant” to the labour market, as well as the need to do better in establishing partnerships between education and work.

By 2020, the European Commission estimates that 35% of all jobs will require higher qualifications compared to 29% at present. This translates into 15 million more jobs with higher qualifications.

Meanwhile, a report prepared for the European Commission by an independent expert and presented on 4 February, stresses the need for immediate action to be taken to “*solve Europe’s skills deficiencies and give Europe a better chance of labour market success in the future*”. The report highlights some of the major problems, notably:

- 1 in 3 Europeans of working age (25-64 years) has few or no formal qualifications, and only ¼ has high-level qualifications;
- Those who are skilled do not always have the right skills that employees are looking for, thus creating mismatches on the labour market;
- Those with low qualifications are less likely to upgrade their skills or follow lifelong learning.

The report calls for action in 4 key areas:

- **Providing better incentives** for employees and individuals to up-skill with investment in skills needing to be “smart” and “significant” rather than just “financial”;
- **Opening up the worlds of education and training** by making educational systems more innovative and responsive to both learners’ and employers’ needs, as well as developing relevant

qualifications, focussing on concrete learning outcomes;

- **Offering a better mix of skills** more suited to labour market needs; and
- **Anticipating more successfully** future skills needs.

Furthermore, according to the latest forecast on the demand and supply of skills published by the Centre for the Development of Vocational Training (CEDEFOP), in spite of the recession, the total number of job openings is expected to rise to 80 million (7 million new jobs created less jobs lost elsewhere and 73 million to replace workers who retire or change jobs). Projections suggest that the demand for highly-qualified people is expected to rise by over 16 million with the biggest increase in high-level managerial, professional and technical occupations. The main areas for growth are: services, distribution and transport. It is also projected that, on average, women are expected to be better qualified than men in the future, which means that policy makers will need to ensure that measures are envisaged to help women better use their potential as well as providing opportunities to reconcile work and family life.

Link to [Council Joint Progress Report](#), [New Skills for New Jobs: Action Now](#) and [CEDEFOP Briefing Note](#)

Gender Equality

European Commission publishes Equality Law Review

The European Commission has recently published the fourth issue of the “European Gender Equality Law Review”. The report discusses legislative initiatives, recent case law and current policies in the 27 Member States as well as in the three EEA countries Iceland, Liechtenstein and Norway.

Gender equality is one of the key priorities of the Spanish Presidency, and they will, over the next few months, present several proposals to mainstream gender equality throughout the EU’s future policies. Speaking at the European Parliament’s Committee on Women’s Rights (FEMM), Spain’s minister for equality, Bibiana Aído Almagro, stated that “*full equality has not been achieved yet, women still do not fully participate in the labour market while it would make economic sense for them to do so*”.

Meanwhile, on 8 February the MEPs debated the report by Belgian Socialist Marc Tarabella on equality between men and women in the European Union. One of the problems the report identifies is the continuing pay gap. It is estimated that women earn 14-17% less than men for the same work. Tarabella also supports “*any move to*

introduce paternity-leave entitlement at European level. The report was subsequently adopted on 10 February.

Link to [Gender Equality Review](#) and [Tarabella Report](#)

Working conditions

Eurobarometer survey highlights dissatisfaction in Member States

According to a special Eurobarometer survey on the social climate, Europeans are, on average, broadly satisfied with their **personal situation** (the Netherlands and the Nordic countries being the most positive). However, Europeans are far less satisfied when it comes to the economy, public services and social policies.

Regarding Europeans' views of their **job situation**, the EU average is only just in the positive at +1.4. Respondents from Scandinavian countries, Luxembourg and the Netherlands being the most satisfied. When it comes to assessing the **evolution** of respondents' personal job over the last five years, negative scores heavily outweigh positive scores. Only respondents from Denmark, Sweden and the Netherlands thought that things had improved, whilst respondents from the Baltic States felt that things had worsened. However when asked to rate their **expectations** for the coming year, it would appear that Europeans believe things will improve. Again however, the Baltic States are far more pessimistic about the future.

When asked about the **employment situation**, European citizens expressed overwhelming dissatisfaction, with 25 Member States providing gloomy results. When evaluating the situation compared to five years ago, negative responses again outweighed positive responses and when assessing the coming year, expectations were still fairly negative.

As regards **unemployment benefits**, again Europeans tend to be dissatisfied, feel that the situation has worsened over the last five years and are pessimistic for the coming year.

Link to [Eurobarometer full survey](#), [Eurobarometer Summary](#) and [Commission press release](#)

EWCO publishes reports and studies on aspects of working conditions in the EU Member States

The European Working Conditions Observatory (EWCO) has recently published a series of country reports on working conditions in various Member States (Poland, Portugal, France, Denmark, Greece, Finland, Slovenia and Ireland).

Poland – An annual survey conducted by the Central Statistical Office reports on types of work-related risks and the gender dimension of working conditions. According to

the findings of the latest report, the proportion of employees working in hazardous conditions remained constant over a two-year period, standing at 11.2% in 2008 compared with about 11.3% in 2007. Those working in mining and quarrying were found to be the most at risk.

Link to [Working Conditions in Poland](#)

Portugal – A “Study on the returns of vocational training” led by a team of researchers from the Sociedade de Estudos Económicos e Sociais Lda and commissioned by the Gabinete de Estratégia e Planeamento of the Ministério do Trabalho e da Solidariedade Social, sought to evaluate the impact of vocational training on individuals, enterprises and society. The results of the study point to a positive effect on productivity and wages, although such effects appear to be lower than generally anticipated and not as evident in companies with a smaller percentage of permanent workers.

Link to [Report](#) (in Portuguese)

France – In 2006, the Institute for Health Surveillance set up the Samotrace programme to assess the relations between mental health and work. The findings in this report revealed a high level of psychological distress among workers (mainly women) and in certain economic sectors, such as financial services and public administration. The findings also revealed high correlations with psychosocial factors at work, such as imbalances in terms of ‘effort-reward’ and over-commitment.

Link to [Press release](#)

Denmark – A recent study has confirmed that bullying leads to sleep problems and symptoms of severe stress among victims. Witnesses to bullying are found to react in the same manner, albeit to a lesser degree. On the positive side, systematic and frequent exposure to bullying is quite limited. However, negative behaviour in the workplace is very common, with 79.5% of the respondents being exposed at least sometimes to work-related negative acts.

Link to [Study](#) (in Danish)

Greece – This analysis by the Labour Institute of the Greek General Confederation of Labour focuses on the impact of the economic crisis on the Greek labour market. According to the report, it would appear that the economic crisis has mostly affected men in regular paid employment in the private sector, particularly in construction and manufacturing. The crisis has also led to a significant increase in part-time employment, as well as a marginal increase in self-employment.

Link to [Employment and Unemployment 2008-2009](#) and [Changes in paid employment 2008-2009](#) (in Greek)

Finland – The Finnish Quality of Work Life Surveys between 1977 and 2008 have analysed working conditions over the past four decades. The data collated reveals that work continues to be an important area of life for Finnish people. Workers remain loyal to their workplace and committed to their work. The results also show changes in many respects. Opportunities for self-development and influencing work have grown, and work has become more varied, although, the mental burden of work, time pressure and job uncertainties have risen.

Link to [Quality of Life Survey](#)

Slovenia – The recent increased attention that has been given to the issue of reconciling work and family life has inspired Slovenia's Employment Service (ZRSZ) to examine the possibilities of playing a more active role. One research project carried out by the Faculty of Social Sciences of the University of Ljubljana analysed the attitudes of employees and employers towards reconciliation and identified some directives for the ZRSZ to follow.

Link to [Report](#)

Ireland – Last September researchers from Ireland's Economic and Social Research Institute (ESRI) published a study examining the impact of immigration on the wages of Irish nationals. The ESRI researchers estimate the impact by applying a research methodology whereby the labour market is divided into a number of skill cells. The contradictory findings in the study suggest that care should be exercised, as inaccurate impressions of the impact of immigration on wages may arise.

Link to [Working Paper](#)

National developments

Bulgaria

Government drops pension reform to secure national agreement

In Bulgaria, negotiations are due to begin between employers and trade unions on a two-year national agreement. In the meantime, both sides are drawing up proposals for debate in the National Council for Tripartite Cooperation regarding measures to combat the current economic crisis. The Bulgarian government has also announced that its controversial pensions reform programme will be suspended until 2012 so that energies can be more focussed on improving the labour market and achieving greater economic stability.

Link to [CITUB press release](#) (in Bulgarian and [English](#))

Spain

Deal aims to modernise collective bargaining

In the Spanish region of Extremadura, the local business confederation (CREEX) and trade unions have signed a two-year agreement seeking to introduce the concept of 'flexicurity' into sectoral and company bargaining in the region and also to modernise the process of collective bargaining. Over the next six months, unions and employers will discuss ways to revive the local economy and generate employment opportunities.

Link to [CREEX website](#)

Growth in workplace inspections

Last year the Spanish labour and social security inspectorates carried out 224,492 spot-checks on employers – an increase of 30% on 2008. The inspections uncovered 29,357 social security violations, 8,148 workers were found to be drawing unemployment benefit and 7,122 foreign workers were employed without permits.

Link to [Labour Inspectorate](#)

Germany

Ban on genetic testing at work

On 1 February, new regulations on genetic testing by, or on behalf of, employers came into force in Germany. There is now a general prohibition against genetic testing (except in special circumstances where genetic characteristics may expose an individual to the risk of serious health problems in a particular job). The regulations also add genetic characteristics to those grounds already protected under anti-discrimination legislation. However, employers may not penalise employees who refuse to undertake a genetic test.

Link to [Genetics Diagnostic Act](#)

Czech Republic

Spot-fines for workplace privacy breaches

The Czech Ministry of Labour and Social Affairs is currently working on a Labour Code amendment aimed at giving labour inspectors the power to impose fines on employers found to be infringing the privacy of employee communications. A recent survey carried out by an independent consultant revealed that 4 out of 5 Czech employers monitor employees' online activities and 58% limit their internet access.

Link to [State Labour Inspectorate](#)

France

Portability of training rights

A work certificate issued to French employees upon leaving their employment must now contain a statement

about the balance of hours due under the employee access to training scheme (the Droit Individuel à la Formation or DIF). Decree 2010-64 requires the certificate to include the number of unused DIF hours, the value of the benefit (the hours multiplied by €9.15) plus the name/address of the training agency responsible for its execution.

Link to [Decree 2010-64](#) (in French)

Belgium

Deadline approaches for alcohol and drugs policy

In response to mandatory national collective agreement n° 100 which recently came into force, employers in Belgium have until 1 April 2010 to establish an in-house preventative alcohol and drugs policy. The policy may only be implemented after consultation with appropriate employee representative bodies or, in their absence, directly with employees.

Link to [Collective agreement 100](#) (in French)

United Kingdom

Extension of identity card coverage

The UK's border agency has introduced mandatory identity cards for non-European foreign skilled workers and their dependants. The ID-cards are issued whenever foreign nationals apply to extend their stay. The cards include the individual's facial image and fingerprint and shows whether they have the right to work or study legitimately under the UK's points-based immigration system.

Link to [UK Border Agency](#)

Sweden

Reduction in long-term absence

The social insurance inspectorate in Sweden has reported that reforms to the sickness absence system introduced in July 2008 have significantly reduced the number of people on long-term sick leave. Under these new rules, employees must undergo medical examinations after three and six months' absence. According to the report, this has led to a 60% rise in the number of people returning to work after six-months of sick leave.

Link to [Report](#) (in Swedish)

Lithuania

European Commission approves applications for assistance under the EGF

The European Commission has approved applications from Lithuania for assistance under the European Global Adjustment Fund (EGF). The applications concern the furniture-manufacturing sector (relating to 1,469 redundancies), the clothing sector (relating to 1,154 redundancies) and the construction sector (relating to 806

redundancies). These job losses have had a serious impact on the country because unemployment in Lithuania is among the highest in Europe and has risen sharply since the start of the economic crisis.

Link to [Press Release Clothing/Furniture](#) and [Press release construction](#)

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