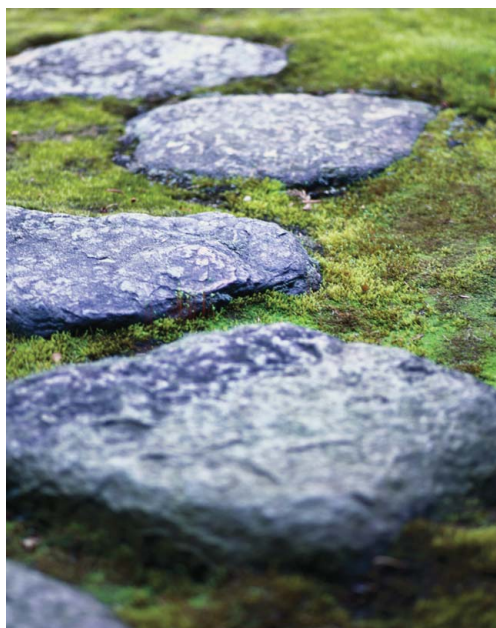


communiqué



European Foundation for the Improvement of Living and Working Conditions

Towards the Lisbon objectives: The new four-year programme



More and better employment, work-life balance, industrial relations and partnership, and social cohesion are the four key priority themes for the Foundation's work over the next four years. On 9 July, the Foundation's Administrative Board approved the new four-year work programme 2005-8.

The Foundation's new four-year work programme takes account of the opportunities and challenges presented by the enlarged European Union. The programme underlines the importance of a comprehensive and integrated approach to these policy issues, allied with an effective communication strategy aimed at the Foundation's key audiences across Europe. The aim is to channel knowledge from the monitoring activities and other research into understanding the challenges, supporting change in society and the economy, and providing its stakeholders with the information necessary for managing change.

Looking ahead to the new Europe

This work programme, the eighth four-year programme since the Foundation's inception in 1975, is rooted in the challenges and objectives of the Lisbon strategy. The drive to make Europe the most competitive, knowledge-based economy in the world, to increase employment rates and improve the quality of employment, to stimulate innovation and entrepreneurship, while promoting social cohesion and inclusion – in short, realising the objectives of the Lisbon strategy – is the *leitmotif* of the programme.

'There is an urgent need to move forward on all fronts – employment, competitiveness, good quality living and working conditions – at the same time,' says **Willy Buschak**, the Foundation's acting Director.

Issues high on the European Social Agenda

Over the last decade, the Foundation has provided its stakeholders and the general public with an extensive knowledge base of comparative data on industrial relations, working conditions and related aspects of living conditions. Many of the issues the Foundation has examined in recent years – like ageing, working time, and the information society – are now high on the European social agenda.

The Foundation's detailed work programme is approved on an annual basis by the Foundation's Administrative Board.

The new work programme can be downloaded from www.eurofound.eu.int/publications/EF04103.htm

Occupational pension systems in Europe

Traditional state pension systems are likely to remain the primary source of income for retired people in the future but Europe's social partners are pushing for better occupational and individual pension arrangements, according to the latest EIRO comparative study.

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Quality of life in Germany and Poland

Poles report lower than average levels of life satisfaction but show great optimism for the future, according to the Foundation's European Quality of Life Survey. People in Germany rate their health and social services very highly.

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ERM records high levels of job redundancies

The European Restructuring Monitor confirms an ongoing trend of huge job redundancies in Europe during the second quarter of 2004.

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Focusing on Europe's working poor

Employment is often claimed to be the best protection against poverty, but for a significant minority of workers in the EU, poverty and work go hand in hand.

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Living to work, working to live

How to achieve a better balance of work-life commitments, while moving towards the full employment target of the Lisbon agenda, is the theme of the Foundation Forum 2004.

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Challenging times ahead

The Foundation has an important role to play in helping social policymakers to set and achieve realistic targets that could reap the benefits of enlargement, argues Bernhard Jansen of the European Commission.

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Occupational pension systems in Europe

Traditional state pension systems are likely to remain the primary source of income for retired people in the future but Europe's social partners are pushing for better occupational and individual pension arrangements in the light of future demographic trends, according to the latest comparative study from the Foundation's European Industrial Relations Observatory (EIRO).

Almost all European countries have recently reformed or started to reform their pension systems with a view to ensuring the adequacy and sustainability of pensions in the future. Recent demographic developments, such as falling birth rates, an overall longer life expectancy and the ageing of the 'baby boom' generation, has put increasing pressure on the sustainability of current pension systems. *Occupational pensions and industrial relations*, the new EIRO comparative study, examines the industrial relations aspects of recent pensions developments in 18

countries. The report focuses mainly on occupational pensions, an area where the social partners often play a significant or even dominant role.

Individualisation of pensions

The report shows that Europe's social partners recognise that traditional state pension systems will in the future carry the bulk of pension obligations. However, there is a clear trend among social partners to press for better supplementary state or occupational pension and more individual arrangements: defined-benefit systems are likely to be replaced by schemes based on defined contributions. Such arrangements essentially shift the risk away from the employer to the employee with regards to pensions and reflect a trend towards the individualisation of pension arrangements.

The report also confirms that in many countries there has been a reversal of the trend of lowering the general retirement age and many early retirement schemes are being

abolished or at least tightened up across Europe.

Differences in type of coverage

The trend toward the individualisation of pension arrangements could have adverse effects on certain categories of workers. The report shows that there are large differences in pension coverage among different groups of worker. Women, part-timers and unskilled workers are underrepresented in most occupational pension schemes, not to mention the self-employed and workers in various other types of non-standard employment. Although several countries have taken measures to facilitate the participation of these groups in the system, entry to the basic occupational system will not be made easier when these schemes become more individualistic in character, according to the report.

The report is available on <http://www.eiro.eurofound.eu.int/2004/04/study/index.html>

Quality of life in Germany and Poland

Poles report lower than average levels of life satisfaction but show great optimism for the future, according to the Foundation's European Quality of Life Survey. People in Germany rate their health and social services very highly but are also found to be among the least optimistic about the future in Europe.

The Foundation presented the findings of its European Quality of Life Survey (EQLS) to representatives of governments, social partners and civil society in Germany and Poland in early July. The visits marked the first stop of a road-show tour, bringing the results of the survey to all EU-25 and three candidate countries.

Discussions in Poland focused on people in Poland reporting lower than average levels of life satisfaction, at the same time as expressing a greater difficulty in making ends meet than people in the other nine new EU Member States. In Germany, discussions centred on the report revealing that Germans are found to be the least optimistic about the future compared to the citizens in the former EU15, the new Member States and the three candidate countries. However, Germans rate their health and social services very highly, compared to the citizens in the former EU15, the new Member States and the three candidate countries.

The Foundation's research on quality of life in Europe, based on 26,000

face-to-face interviews across 28 European countries, sheds light on the living conditions, subjective well-being and individuals' perceptions of their society.

Measuring perceptions of well-being

'In order to foster cohesion in a larger and more diversified European Union, policymakers and civil society actors need first of all to know not only how people live, but also how they perceive their situation: how individual quality of life is measured,' says **Willy Buschak**, acting Director of the Foundation. 'The results of our European Quality of Life Survey provide a unique portrait of quality of life in the enlarged Europe and in the three candidate countries.'

More information the EQLS is available on www.eurofound.eu.int/living/living.htm

Focusing on Europe's working poor

Employment is often claimed to be the best protection against poverty, but for a significant minority of workers in the EU, poverty and work go hand in hand.

One in five of workers on low pay in the EU is in the category of 'working poor', according to the Foundation's report, *Working poor in the European Union*, the first European analysis of this hitherto relatively under-researched and neglected area. Data at EU-level confirm that 17% of the self-employed and 6% of employees in the former EU-15 fall below the standard poverty threshold. These figures are likely to be higher in the new Europe of 25 countries, given the higher incidence of relative poverty in the new Member States.

A new issue at EU-level

Working poverty is an issue that has attracted considerable attention in



the United States since the 1970s but has only recently begun to be addressed at EU-level. Indicators started to appear in Europe in 2003 in the Open Method of Coordination (OMC) processes for both social inclusion and employment. The working poor may be defined as workers living in a household in which at least one member works and where the total income of the household is still below the poverty line.

Opening a pan-European debate

The report was launched in Brussels on 1-2 July, at a seminar organised by the Foundation which brought together experts from the European institutions, policymakers, researchers, representatives from civil society, and the social partners. The seminar examined in detail who are the working poor, which categories of workers are most at risk and what is the extent of working poverty in the European Union. The objectives of the seminar were to contribute to a better understanding of the issues at stake and their interrelationships, to look at the approaches that are already available or could be made available to tackle these issues, and to promote debate on these issues at European level.

The report is available on www.eurofound.eu.int/publications/EF0467.htm

ERM records high levels of job losses

The European Restructuring Monitor confirms an ongoing trend of high levels of redundancies in Europe during the second quarter of 2004.

A total of 57,959 job losses were announced as the result of 163 company restructuring cases during the second quarter of 2004 (1 April-30 June), according to the Foundation's European Restructuring Monitor (ERM) *quarterly*. During the same period, 16,373 new jobs were created. The latest issue of the ERM *quarterly* also presents a country focus on Slovakia, analysis of Europe's textiles and leather industry and details of two recent company restructuring cases in Spain and Poland.

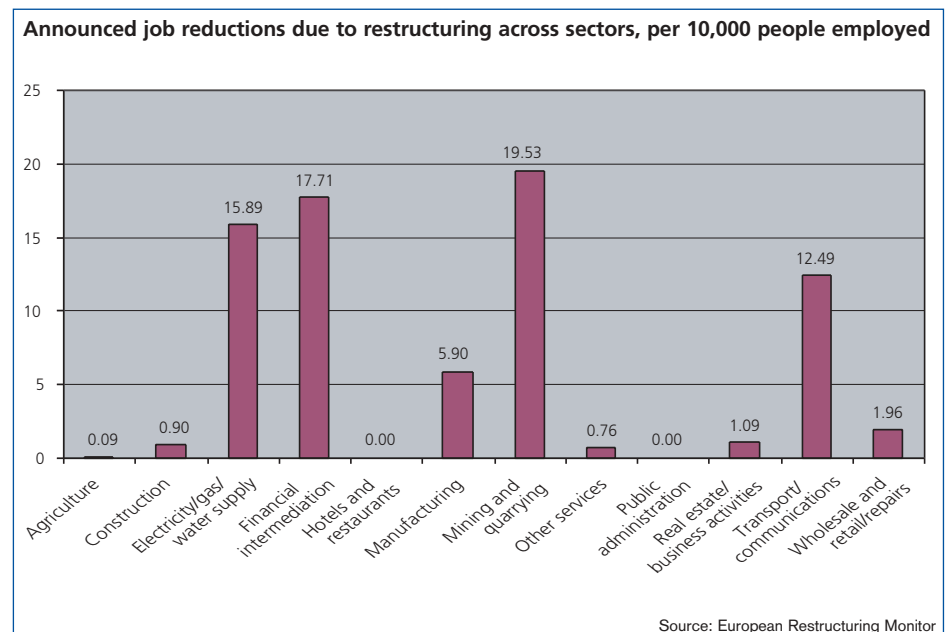
Persistent trends

In line with previous trends, job losses in the financial intermediation, transport and telecommunications

sectors remain high. Europe's financial sector announced heavy job losses in the UK (c.6,000), Germany (c.1,500) and the Netherlands (c.1,200). The UK mining and quarrying sector, as well as electricity, gas and water supply, have

experienced significant job losses, all of which have a major impact on the relatively small workforce employed in these sectors across Europe.

More information on www.emcc.eurofound.eu.int/erm/



NEWS IN BRIEF

From knowledge society to the learning society

Findings from the Foundation's knowledge society project reveal that the knowledge society is emerging at an uneven pace across the EU, and that Europe is lagging behind the United States in this respect. In order to broaden the concept to the learning society, the Foundation and the Irish government co-organised an EU Presidency conference on the topic on 14-15 June. The conference used the foresight methodology to map the current situation across Europe, to analyse its strengths and weaknesses and to prepare a European policy for the learning society.

The results of the Foundation's knowledge society project are available on www.eurofound.eu.int/transversal/knowledgesociety.htm

Driving forward – automotive sector of the future

Rapid global warming and road traffic congestion could well force Europe's automotive industry to rethink its future, according to the recent *Sector Futures* series from the Foundation's European Monitoring Centre on Change (EMCC). The articles reveal that Europe's automotive business will continue to

invest in systems for improving safety, intensify efforts to reduce environmental impact, and increase the use of information technology both in the car and for traffic management. Past trends are likely to continue insofar as the car will continue to be the main means of transportation for the majority of people. At a workshop in Warsaw, Poland on 23-24 September, the EMCC will bring company representatives, sector analysts and regional planners together to map the key drivers that challenge the automotive industry, in an effort to better anticipate the future of this important sector of European industry.

The EMCC sector futures reports are available on www.emcc.eurofound.eu.int/sector_futures.htm

Mapping information

Tired of reading long reports and scrolling through comparative tables? The EMCC team plans to present the findings of its 'mapping report' of the automotive industry by means of an interactive online map. The online tool will allow users to click on regions across Europe to get information about the main players in the region's automotive industry, the number of employees and companies working in the region, and what issues have an effect on these companies. 'This is not new information we are presenting,' admits **Barbara Gerstenberger**, research coordinator of the EMCC team. 'The novelty lies in how we present the information, with the intention of making it easier to comprehend, to use and to work with. If the trial is successful, we would like to use this method for other kinds of research information in the future.'

EVENTS

7th IIRA European Congress: The future of work in Europe

7-11 September 2004, Estoril (Lisbon), Portugal
<http://www.ilo.org/public/english/iira/congress/7econ.htm>

Towards effective intervention in occupational safety and health

15-17 September 2004, Amsterdam, the Netherlands
Dutch EU Presidency conference
<http://www.arbo.nl/news/conferentie.stm>

International seminar: Quality of life in Europe

22-23 September 2004, Tallinn, Estonia
Foundation event
http://www.eurofound.eu.int/living/qual_life/seminars04.htm

Driving forward – Futures for the automotive sector from a regional perspective

EMCC anticipation workshop – Foundation event
23-24 September 2004, Warsaw, Poland

Europe's coming generation: Demographic trends, social changes and human capital

27-28 September 2004, Brussels, Belgium
European Observatory on the Social Situation, Demography and Family
http://europa.eu.int/comm/employment_social/eoss/index_en.html

Recent developments in European industrial relations

7-8 October 2004, The Hague, the Netherlands
Joint Foundation–Dutch EU Presidency conference
<http://www.euconference.ser.nl>

PUBLICATIONS

Ageing and work in Europe (topic report)

EN: www.eurofound.eu.int/publications/EF0483.htm

Annual review of working conditions in the EU 2003-2004

EN: www.eurofound.eu.int/publications/EF0494.htm

Case studies in the textiles and leather sector

EN: www.emcc.eurofound.eu.int/content/source/eu04013a.html

EIRObserver (Issue 4/04)

EN: www.eurofound.eu.int/publications/EF04102.htm

ERM quarterly, Issue 2 – Summer 2004

EN: www.emcc.eurofound.eu.int/ern/index.php?template=quarterly

Financial participation for small and medium sized enterprises: Barriers and potential solutions

EN: www.eurofound.eu.int/publications/EF04100.htm

Four year work programme 2005-2008

EN: www.eurofound.eu.int/publications/EF4103.htm

Industrial relations developments in Europe 2003 (report)

EN: www.eurofound.eu.int/publications/EF0477.htm

Quality in industrial relations: Comparative indicators

EN: www.eurofound.eu.int/publications/EF0461.htm

Quality of life in Europe (résumé)

EN: www.eurofound.eu.int/publications/EF0495.htm

Social inclusion: Role of the social partners (Foundation paper no. 5)

EN: www.eurofound.eu.int/publications/EF03116.htm

Temporary agency work (topic report)

EN: www.eurofound.eu.int/publications/EF04104.htm

Working poor in the European Union (info sheet)

EN: www.eurofound.eu.int/publications/EF04107.htm

Free publications can be downloaded directly from the website and priced publications can be ordered online (www.eurofound.eu.int). They can also be ordered from bookshops or from one of the sales agents of the Office for Official Publications of the European Communities (addresses available at www.eur-op.eu.int).

INSIDE THE FOUNDATION

Challenging times ahead

The Foundation has an important role to play in helping social policymakers to set and achieve realistic targets that could reap the benefits of enlargement, argues Bernhard Jansen of the European Commission.

The recent enlargement is an event of unprecedented historical importance, resulting in the integration of countries from all corners of Europe to become equal partners in building a new Europe – and this by entirely peaceful means and on the basis of self-determination. ‘An enlarged European market enhances the prospects for economic performance and thus implies more employment prospects,’ explains **Bernhard Jansen**, Director at the Employment and Social Affairs DG of the European Commission. ‘However, enlargement involves both additional opportunities and additional challenges for the European social policy agenda, where we must strive to match improved economic performance with an increase in the standard of living for everyone.’



Bernhard Jansen
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enlargement offers new impetus for the Union and a better chance for a more positive economic development. Bernhard Jansen affirms, ‘We should take up this challenge and turn it to our advantage. In order to be successful, policymakers need to be forward-looking and to set themselves ambitious, but credible targets, and the Foundation is instrumental in this process.’

Prior to taking up his current position as Director of Directorate D of DG

Employment and Social Affairs, with responsibility for adaptability, social dialogue and social rights, Bernhard Jansen worked in a variety of posts at European and international level, from legal advice in agriculture, competition and merger law to external trade relations.

Laying foundations for policymaking

Bernhard Jansen is of the opinion that EU agencies have the advantage of being less directly subject to the political priorities of the day, and this can result in a higher degree of credibility and trustworthiness. The success of the Foundation is, in his opinion, a combination of high levels of performance and anticipating what are likely to be tomorrow’s themes in policymaking.

‘The Foundation is meant to act as a think-tank and as such has an important role in preparing the ground for well-adapted policies in the socio-economic field,’ claims Bernhard Jansen. ‘The Foundation was created in 1975 for that purpose and I see no reason why this should change in the foreseeable future.’

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Opportunities of enlargement

Bernhard Jansen has been the European Commission’s representative in the Foundation’s Bureau and on the Administrative Board since 2001. A German national and a lawyer by profession, he expounds on the topic of social Europe with exactitude, experience and a clear vision, clearly spelling out the main challenges and solutions for achieving a better future for all citizens. He is convinced that

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