

# communiqué



European Foundation for the Improvement of Living and Working Conditions

## Quality of life in an enlarged Europe: challenges and opportunities

**The European Union of 25 Member States is now a widely heterogeneous body. Cultures, political traditions, and living conditions vary throughout the 25 countries and there are large differences in terms of quality of life. However, while material living conditions, employment situations, working conditions, health and subjective well-being reveal wide variations, social support networks and educational levels are broadly similar across the new EU according to the recent findings of the Foundation's European Quality of Life Survey (EQLS).**

The survey represents an ambitious attempt to explore quality of life issues in a wide range of countries, providing a synthesis of information on the main aspects, both objective and subjective. It was carried out in the EU25 and three candidate countries (Bulgaria, Romania and Turkey) in May–August 2003.

‘Although differences in living conditions are considerable, values and priorities determining quality of life are not very different across the European Union – there is no underlying reason for a division of us and them, the west and the east,’ says **Willy Buschak**, the Foundation's acting Director. ‘However, in order to foster cohesion in a larger and more diversified European Union and to close the gaps in unequal economic development and living standards, policymakers and civil society actors need to know, not only how people live, but also how they perceive their situation and how individual



quality of life is assessed. We believe our report can provide this knowledge.’

### The next steps

The initial findings of the survey are currently being presented to representatives from governments, social partners, civil society and experts, in country visits and international seminars. At the same time, more detailed analysis is underway to examine the data on specific themes and to improve understanding of the results. Four in-depth reports, based on the survey – Quality of life, subjective well-being and perception of society, Households and family, social networks and community life, Living standards and resources, income and employment, subsistence economy, deprivation and exclusion, and Housing and local environment – will be available in early 2005.

The report is available on [www.eurofound.eu.int/publications/EF04105.htm](http://www.eurofound.eu.int/publications/EF04105.htm)

### Parental leave in the European Union

Parental leave options are largely determined by legislation in the majority of EU Member States.

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### New chairman of Foundation's Administrative Board

According to Jan-Willem van den Braak over the last decade there has been a disturbing tendency towards over-regulation at EU level: EU social legislation should primarily be used to realise the internal market and to create a level playing field.

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# Parental leave in the European Union

**Parental leave options are largely determined by legislation in the majority of EU Member States. However, where collective agreements exist, they play a significant role and can, in some cases, even act as a springboard for improving parental leave opportunities, according to the recent comparative study 'Family-related leave and industrial relations' from the European Industrial Relations Observatory (EIRO).**

Often perceived as more of a family issue than a work-related one, parental and family-related leave issues are not central to industrial relations across Europe, reveals this study, which is an update of the 1997 analysis on the impact of the 1996 EU parental leave Directive on collective bargaining and other developments in the former EU15 and Norway. The current study goes further than examining only the

provisions of the Directive and parental leave, but also deals with all other categories of family-related leave available to employees and examines the role of collective bargaining in developing these types of leave. The report also looks at the positions of the social partners, who tend to focus on problems relating to organisation of work and promote changes to employment conditions and the reduction of working time.

## **Trade unions advocate shared parental leave**

Trade unions frequently stress the importance of a balanced family policy, fostering gender equality both in the home and at work. In many countries, such as France, Germany, Hungary and Sweden, they tend to focus on problems faced by women trying to return to work after a long period of parental leave and subsequent gender equality implications for the labour market. They advocate parental leave schemes that could be shared, to a

greater extent, by both parents and that do not cut them off totally from their jobs. Unions tend to focus their demands on return to work entitlements, the option of part-time work for parents, and compensation for maternity, paternity and parental leave, as well as childcare infrastructure.

## **Employer organisations content with current legislation**

While many employer organisations express support for an improved work-life balance, some consider that family and parental leave-related issues are not their responsibility and that legislation hampers their ability to do business. Consequently, they are often opposed to improvements to paid leave, which they perceive as creating new costs for companies.

More information on  
[www.eiro.eurofound.eu.int/2004/03/study/index\\_2.html](http://www.eiro.eurofound.eu.int/2004/03/study/index_2.html)

# Fewer redundancies, more jobs created

**The European Restructuring Monitor recorded a slight drop in job redundancies and more job creation in Europe during the third quarter of 2004.**

A total of 56,170 job losses were announced as a result of 158 company restructuring cases during the summer months, from 1 July to 30 September, according to the quarterly report from the Foundation's European Restructuring Monitor (ERM). During the same period, 8,130 new jobs were created. While this number represents significantly less jobs created than during the last quarter,

it confirms the trend of an increased number of job creations in the new Member States.

## **Significant effects of restructuring**

The Irish economy had the highest number of redundancies during the past quarter with 16.4 job losses per 10,000 people, following the announcement of a three-year plan involving 1,325 job cuts at Aer Lingus, the state airline. After Ireland, the United Kingdom and Slovakia were worst hit with redundancies. In the same period, no job losses were reported in the Czech Republic, Greece and Luxembourg.

## **Monitoring industrial restructuring in the media**

The European Restructuring Monitor records industrial restructuring cases as reported in the press. All announcements involving the reduction or creation of at least 100 jobs or affecting 10% of the workforce in sites employing 250 people or more are taken into account. Cases are identified through a review of daily papers and the financial press in the Member States.

More information on  
[www.emcc.eurofound.eu.int/erm/](http://www.emcc.eurofound.eu.int/erm/)

# Comparing quality of life in Estonia with the rest of Europe

**The Estonian labour force shows strong signs of modernisation with high levels of Internet use and training opportunities, in comparison to other EU Member States and Bulgaria, Romania and Turkey. These were some of the findings of the Foundation's European Quality of Life Survey (EQLS), revealed at the first international European Quality of Life seminar, held in Tallinn on 22 and 23 September, 2004.**

**D**iscussions with experts from neighbouring Finland, Sweden, Denmark, Latvia and Lithuania, focused on the high percentage of real house ownership in the new Member States. More than two-thirds of Estonians (66%) own their home without a mortgage, almost twice as many as in the former EU15 (38%). However, Estonia scores highest on the index of poor housing



Willy Buschak, the Foundation's Acting Director, with Kõlvar Mand, Estonian Deputy Minister for Social Affairs

quality, quoting shortage of space, rotting windows, doors or floors, damp or leaks, and lack of indoor flushing toilets, (36% in Estonia, compared to 22% for all 10 new Member States and 9% for the former EU15).

## **First of four international seminars across Europe**

The event in Tallinn, which brought together some 60 government experts, trade unions, employer

organisations, civil and statistical bodies, was the first in a series of four similar events across Europe. The aim is to present the initial findings of the European Quality of Life survey and discuss the implications of cultural or other differences. The second seminar was held in Nicosia, Cyprus on 25–27 October. During November, an international seminar was held in Bratislava, Slovakia, (9–11 November) and another in Paris, France (23 November).

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## Industrial relations in Europe – a snapshot

**Industrial relations in the European Union are stabilising despite large differences in structure and organisation between social partners and governments in the former EU15 and the new Member States.**

**T**he Foundation has recently explored new ways of resolving industrial conflict involving the social partners and governments in the new EU Member States. In an effort to transfer know-how and experience from the former EU15, 'Social dialogue and tripartite consultation have proven crucial tools

for industrial peace, while still ensuring economic growth in harmony with employment and social protection,' Willy Buschak, the Foundation's Acting Director argued at a recent conference on developments in European industrial relations, co-organised by the Dutch EU Presidency and the Foundation on 7–8 October last. 'While the legal basis for industrial relations has been unified in all EU25 countries, with the process of enlargement, mediation is still the dominant conflict resolution mechanism in the new Member States.'

## **Stable industrial relations in Europe despite differences**

Foundation research has found that levels of trade union membership across the enlarged European Union are still low (average 25%, ranging from 15%–40%) but there are signs that this is improving. When comparing levels of collective bargaining coverage, these remain high, covering almost four out of every five workers. The gender pay gap remains wide however, averaging 20% across the EU and Norway despite efforts in Belgium and Finland to address the issue by establishing a legal framework for equal pay.

NEWS IN BRIEF

# Age and work: Connecting the generations

The issue of ageing has, until enlargement, primarily focused on the rebalancing of spending on pensions and social protection. In reality, however, the ageing issue inextricably links both older workers and new entrants to the job market and both are key to maintaining the European social model. These are the conclusions of the Foundation's seminar series on age and work which took place during 2004. The seminars, which drew on contributions from employers, trade unions and representatives of public bodies, compared national situations with European objectives on age and work. Government policies promote access for young people to the job market and make it easier for so-called 'elderly' workers to take early retirement. Member States are realising that ageing of the population and shortage of labour are challenges they can no longer afford to ignore.

More information on [www.eurofound.eu.int/seminarseries/2004.htm](http://www.eurofound.eu.int/seminarseries/2004.htm)

# Europe's food sector at a crossroads

In July this year, the first Sector Futures article from the European Monitoring Centre on Change, (EMCC), on the future of Europe's food and drink sector, painted a picture of a healthy industry making a significant contribution to Europe's revenue and employment. The second feature argues that while food is plentiful and affordable, growing concerns about diet, public health, food safety and the environment will result in further change in the production, distribution and consumption of food. It outlines the promise that science and technology

holds for improved efficiency and new kinds of food, with possible health benefits. The article also highlights that this 'industrialisation' of food is shaping consumer demands.

The report is available on [www.emcc.eurofound.eu.int/sector\\_futures.htm](http://www.emcc.eurofound.eu.int/sector_futures.htm)

# European Parliament exhibition

The Foundation will present its work to the new members of the European Parliament in Brussels, Belgium, between 29 November and 2 December 2004. The week-long exhibition in the main building of the Parliament will be complemented by presentations from the Foundation and briefings with MEPs working with social affairs.

# EU Working conditions: 2003-2004

The first EU-level annual review for the European Working Conditions Observatory (EWCO) has found that progress has been slow in diminishing gender gaps in the labour market. In particular, the persistent pay inequity and segregation remain key problems. More worryingly, however, is that national action programmes focus too much on reconciliation, and neglect to actively address gender gaps. The result is that quality in work is not effectively tackled in policy approaches. In an enlarged European Union, quality in work gives Europe a social dimension but also has the potential to improve working conditions and productivity.

Download the report on [www.eurofound.eu.int/publications/EF0494.htm](http://www.eurofound.eu.int/publications/EF0494.htm)

EVENTS

**A social Europe: let's deliver!**  
8-9 November 2004, Rotterdam, the Netherlands  
Dutch EU Presidency and European Commission

**Third international seminar on Quality of Life in Europe**  
9-10 November 2004, Bratislava, Slovakia  
Foundation event

**IST Conference 2004**  
15-17 November 2004, The Hague, the Netherlands  
European Commission, DG Information Society

**Achieving gender balance - strategies for competitiveness**  
18-19 November 2004, Lisbon, Portugal  
EMCC Company Network Seminar, Foundation event

**Fourth international seminar on Quality of Life in Europe**  
23 November 2004, Paris, France  
Foundation event

PUBLICATIONS

**Changing Europe: Better work, better life (Four-year work programme 2005-2008)**  
EN, DE and FR:  
[www.eurofound.eu.int/publications/EF04103.htm](http://www.eurofound.eu.int/publications/EF04103.htm)

**EIRObserver (Issue 5/04)**  
EN: [www.eurofound.eu.int/publications/EF04117.htm](http://www.eurofound.eu.int/publications/EF04117.htm)

**EMCC dossier on the European automotive industry**  
EN: [www.emcc.eurofound.eu.int/content/source/eu04017a.html](http://www.emcc.eurofound.eu.int/content/source/eu04017a.html)

**European works councils in practice (report)**  
EN: [www.eurofound.eu.int/publications/EF04109.htm](http://www.eurofound.eu.int/publications/EF04109.htm)

**Family-related leave and industrial relations (comparative study)**  
EN and FR:  
[www.eiro.eurofound.eu.int/2004/03/study/index\\_2.html](http://www.eiro.eurofound.eu.int/2004/03/study/index_2.html)

**Financial participation in the EU: Indicators for benchmarking (report)**  
EN: [www.eurofound.eu.int/publications/EF0480.htm](http://www.eurofound.eu.int/publications/EF0480.htm)

**Industrial relations and undeclared work (thematic feature)**  
EN: [www.eiro.eurofound.eu.int/thematicfeature8.html](http://www.eiro.eurofound.eu.int/thematicfeature8.html)

**National-level tripartism and EMU in the new EU Member States and candidate countries (comparative study)**  
EN: [www.eurofound.eu.int/publications/EF04110.htm](http://www.eurofound.eu.int/publications/EF04110.htm)

**Quality of life in an enlarged Europe: Challenges and opportunities (report)**  
EN: [www.eurofound.eu.int/publications/EF04105.htm](http://www.eurofound.eu.int/publications/EF04105.htm)

**Social inclusion: Role of the social partners (Foundation paper No. 5)**  
EN and FR:  
[www.eurofound.eu.int/publications/EF03116.htm](http://www.eurofound.eu.int/publications/EF03116.htm)

**Working conditions in France (data survey report)**  
EN: [www.eurofound.eu.int/publications/EF04118.htm](http://www.eurofound.eu.int/publications/EF04118.htm)

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# EWCs lead to better industrial relations at company level

**European Works Councils influence the advancement of industrial relations in countries which traditionally have no strong union or employee representative structures, concludes a recent Foundation study on the internal dynamics of the operation and functioning of EWCs.**

This research project looked at the operation of EWCs with headquarters in France, Germany, Italy, Sweden and the UK. In-depth interviews with representatives of both management and workforce in parent and subsidiary companies took place to provide insight into the functioning of EWCs in enterprise and their impact on industrial

relations and human resource management.

Several case studies gave evidence of an attempt at harmonisation of industrial relations in the group. This is important in terms of the expansion strategies of the majority of companies. The EWC, or employee-side members, support management as they endeavour to integrate newly acquired subsidiaries.

EWCs can have varying impacts on industrial relations. They can contribute to:

- ➔ a harmonisation of industrial relations in the group,
- ➔ an ‘export’ or transfer of industrial relations cultures from the home country to other countries,

- ➔ an integration and mediation between or within countries,
- ➔ establish a transnational interaction in the architecture of company industrial relations,
- ➔ establish or improve industrial relations in subsidiaries, and
- ➔ improve industrial relations in the parent company.

The EWC, or employee side members, support management endeavours of integrating the newly acquired subsidiaries.

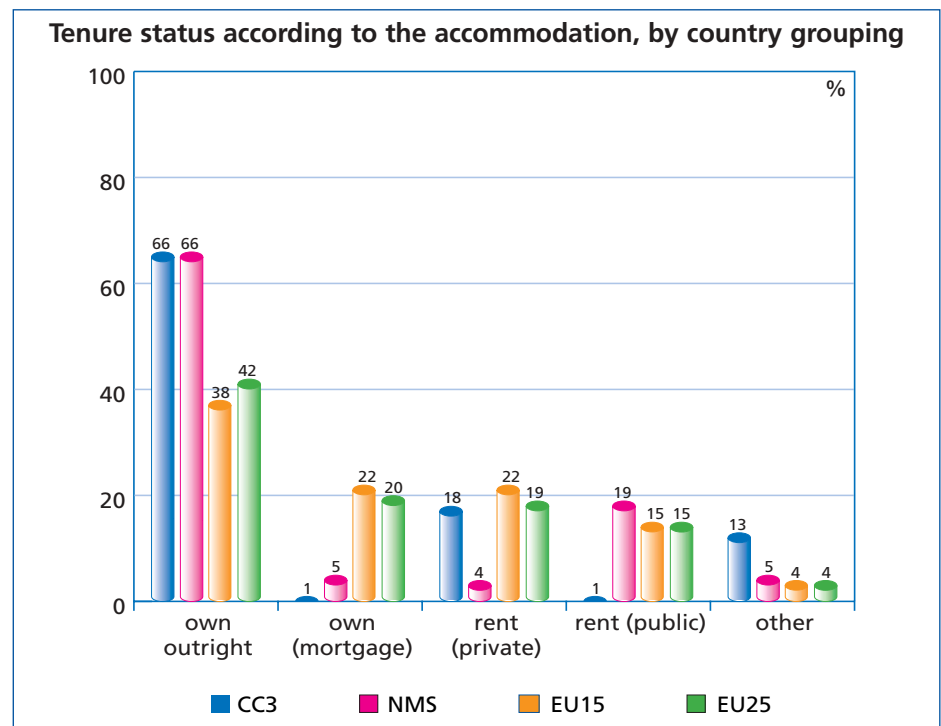
The report is available at [www.eurofound.eu.int/publications/EF04109.htm](http://www.eurofound.eu.int/publications/EF04109.htm)

## RESEARCH IN FIGURES

# Highest home-ownership levels in the new Member States

Housing is one of the key dimensions of an individual’s material position and quality of life. Adequate accommodation not only affects well-being, it can also be a matter of survival.

Most people in the new Member States are homeowners; more than half of the population own their own home, and in some cases – Estonia, Hungary, Lithuania, Slovakia, Slovenia, Bulgaria and Romania – the figure is over 80%. There are two exceptions to this rule: the Czech Republic and Latvia. In the former EU15, the rate of home ownership is only above 70% in Ireland, Italy, Luxembourg and Spain, and none of the other EU15 countries exceed the 80% line.



INSIDE THE FOUNDATION

# New chairman of Foundation's Administrative Board

**Jan-Willem van den Braak who has recently been appointed chairman of the Foundation's Administrative Board has been a member of the Foundation's Board since 1993 and chairman of its employer group since 1999. Shortly after graduating with a law degree 30 years ago, he joined the Dutch employer organisation, VNO, now known as VNO-NCW, where he has been Social Affairs Manager since 2000.**



Jan-Willem van den Braak, new chairman of the Foundation's administrative board.

## What are the Dutch EU Presidency's social affairs goals and how can the VNO-NCW contribute to these?

The Dutch EU Presidency's main social affairs objective is to lay the foundations for the new social policy agenda 2006–2010 in a way that reflects the Lisbon Agenda, the recommendations of the Employment Taskforce and Europe's ageing working population. Revising the Working Time Directive – and in particular finding common ground around the issue of temporary agency work – will be an important part of this. The VNO-NCW, which fully supports the Dutch Presidency's aims, believes that temporary agency work is vital to create a more dynamic labour market and more jobs. Unless the proposed Directive on temporary agency work is revised, we will not achieve this.

## Is it in Europe's interests to regulate and coordinate social issues at an EU level?

Over the last decade there has been a disturbing tendency towards over-regulation at EU level: EU social legislation should primarily be used to realise the internal market and to create a level playing field. In terms of coordination, the open method has proved to be a useful instrument.

However, there is a danger that its main strength, notably the flexibility it gives countries to design measures around their individual circumstances, could be undermined by excessive bureaucratic detail.

## What are the risks of Europe not hitting the Lisbon Agenda targets?

If we don't achieve these targets by 2010, civil society will lose faith in the benefits of a united Europe and we will not have the competitive businesses needed to support our welfare states. It's of the utmost

importance to succeed. This year a high-level group chaired by Wim Kok recommended concrete steps to accelerate progress towards these objectives.

## How do you see the Foundation moving forward?

I see it developing as a centre of knowledge for a wide range of social issues, supporting policy-makers at both EU and national level. At national level, though, the Foundation needs to make more people aware of the data it has at its disposal. It also needs to strengthen the quality and policy-relevance of its data by intensively monitoring EU policies in order to identify areas where additional information and analyses are required.

## Staff changes

**Gerlinde Ziniel** has joined the Living Conditions team as Research Manager. She is on secondment from the Austrian Trade Union Federation.

**Annick Menzies** has left the Foundation after 23 years, during which time she worked as secretary to a number of Directors.

# communiqué

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