

COMMUNIQUÉ



EUROPEAN FOUNDATION

for the Improvement of Living and Working Conditions

Reshaping the Social Policy Agenda

Opening the second European Social Policy Forum in Brussels Commissioner Pádraig Flynn told an audience of 1,300 participants that each sector has a part to play in defining social policy:

"Social partners, NGOs, national, regional and European Institutions, all have a place in this, all have responsibilities in reshaping the social policy agenda.

"We cannot make the journey towards the future world of work, while adapting social protection - and the whole span of social policy - to changing needs, without dialogue and participation.

"Citizenship is a process of belonging, and of ownership, not an administrative label. It is about people participating in change, not just being recipients of institutional recipes for the future."

During his keynote address on the second day of the Forum, Commissioner Flynn introduced the new Social Action Programme as his "template for the future", which he said would serve as "our map for meshing employment with broader social policy priorities".

"It reaffirms the economic and social rationale for well designed social protection, modern regulatory frameworks for working life and strong health and safety provisions."



At the launch of the website (left to right) Commissioner Pádraig Flynn, Fiona Murray, programme manager at the Foundation and Eric Verborgh, deputy director of the Foundation.

The Foundation worked closely with DG V of the Commission Services in both the planning of the Forum and the provision of background documentation for the parallel sessions. Foundation staff contributed widely to the debate. An exhibition of the Foundation's work was displayed at the conference.

Mark Carley, rapporteur at the Forum and editor of the European Industrial Relations Observatory, is the editor of the Final Report on the proceedings of the Forum.

Alliance in Safety and Health

The European Agency for Safety and Health at Work (Bilbao) and the Foundation have signed a Memorandum of Understanding that will frame the continuation of their excellent working relationship. The two organizations will work closely to ensure the sharing of knowledge and the avoidance of duplication in the planning of safety and health related projects. The Foundation and the Agency will have regular staff contact on a range of specific activities which will complement the relationship already enjoyed at management level.

On relevant projects, they will invite each other to working meetings. The two organizations will establish links between their Internet sites and liaise on Internet developments. The Foundation and the Agency will also share their considerable database and publication resources.

www.eurofound.ie

The Foundation's new website, www.eurofound.ie, was officially launched at the European Social Policy Forum by Commissioner Pádraig Flynn. The different strands of the Foundation's work: research projects, publications and events, are now online, in an easily accessible format.

The site will be continually updated to ensure that the latest news, research results and publications are available. This newsletter will be posted on the site and online ordering for the Foundation's publications will be available shortly.

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• IIRA congress • EPOC results

The Foundation at the IIRA Congress

EPOC Survey results on group work

At the 11th World Congress of the International Industrial Relations Association, held in Bologna from the 22-26 September, the Foundation released new results from its European-wide survey on direct participation in organizational change, (EPOC).

EIROnline

Foundation members also chaired workshops and coordinated a number of sessions including a seminar on the impacts of EMU on industrial relations and trade unions in the future. EIROnline, the Foundation's industrial relations information website, was demonstrated to a wide audience of delegates.

EPOC survey

Addressing the seminar on Efficiency, New Forms of Management and Participation, Kevin P O'Kelly introduced new results on the extent and nature of group work as practised in European organizations, based on data from the EPOC survey.

According to the findings about 30% of the work places surveyed employed some form of group work - teams working together through the production process.

The survey further examined the degree of intensity of the group work; what areas they made decisions on, what decisions the teams came to, how autonomous they were in certain areas or what percentage worked in teams?

Of the initial 30% of workplaces practising team work, only 3.75% were found to prac-

tise group work with any degree of intensity.

Significant economic results

"Our findings are that for this very small percentage of workplaces there were significant economic results of having team work and the more intense the delegation of responsibility to the team, the greater the economic impact was on the performance of the company", O'Kelly told the seminar. Economic performance was measured by four indicators: cost reductions, reduction in through-put time for the product or service, improvement in quality and increased output. "Overall we found if a company employed group work, it was more competitive than companies which did not have group work. Furthermore, the more intensive the group work, the better the results were for the company."

Choosing group work

In addressing the reasons why companies introduce group work, the survey findings indicated that in the 30% of companies which had introduced group work, to one degree or another, management recognised that there were economic benefits from it. "We found that group work was introduced almost solely for economic reasons. The quality of working life or the social aspects of the work place were also mentioned by two-thirds of companies but nearly always in conjunction with the economic reasons." said O'Kelly.

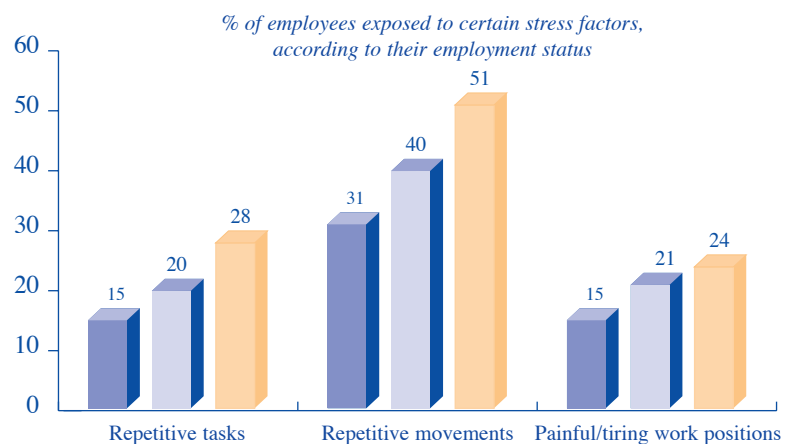
Good practice handbook

The Foundation will publish shortly a practical guide which sets out the main principles and lessons on how to incorporate community involvement in local development. The question of how to facilitate a stronger role for local communities is a key issue for Europe and an important dimension of both the structural funds and other social policies. This handbook focuses upon measures to improve community involvement in local schemes aiming to develop or regenerate disadvantaged localities. The text is designed to serve policy-makers, planners and practitioners including organizations belonging to the local community sector itself.

Employee Participation in the Public Services

Public service workplaces show a high degree of workplace innovation and are more likely to involve employees in organizational change than private sector organizations, according to the findings of the EPOC survey carried out by the Foundation in a ten country survey of 5,800 public and private workplaces in 1996.

The findings also indicate that all forms of direct participation are more firmly rooted and have a wider scope, in the public services than in the private sector. There is stronger social partnership with greater involvement of employee representatives and trade unions in the reorganization of work processes.



Cutting the cost of occupational injury

The direct costs of occupational accidents and diseases in the EU were estimated at ECU 27 billion in 1992; the indirect costs are much higher. The burden of these costs is carried mainly by the public sector and employees. It is apparent that safety and health cannot be protected adequately by the normal mechanisms of the market economy. Henrik Litske, research manager at the Foundation with responsibility for the Foundation's project on economic incentives for the improvement of working conditions, explains that new approaches were needed to tackle the health and safety issue in the workplace.

"We could see in our surveys over time that the improvements in the health and safety conditions in the European Union were very small. That is why we needed to look for instruments which are stronger and more powerful than those instruments reliant on legislation. Legislation normally governs minimum requirements; economic incentives go further than that; they motivate a company to take account of the working conditions in the design and planning stage of their enterprise. "We have come up with

new ideas and we have tested them. We are now looking to extend the debate. That is why we have produced an interactive CD-ROM to facilitate the debate among policy makers at national level."

The CD-ROM sets out the context, design issues and testing procedures to illustrate clearly the methodology and analysis of the economic incentive approach.

A New Approach

A working party examined the issues involved, assisted by a representative steering group. Economic incentive schemes were assessed and identified as the key to promoting health and safety in the workplace. These economic incentives operate within the

framework of compulsory industrial injury insurance.

"This is a new approach, instead of being backwards looking, it looks at the actual working conditions and what a company does to improve them. That is what determines its premium. In that way, it is forward looking and can provide for more efficient preventive action." says Litske.

This approach proposes a proactive premium graduation, based on the calculation of both existing and future risks. Each enterprise is assigned a gross premium and then offered the possibility of premium reduction or bonus. The highest level of the gross premium is assigned to those operating at the margins of the minimum requirements of health and safety legislation, bonuses are awarded to enterprises operating at higher standards.



The research considered the diversity of enterprises, differences in sector, size, technology and the corporate culture of the organizations. A system of sub-bonuses was devised to address these different needs.


Existing systems

Existing schemes are based on adjusting premiums based on the history of the claims.

"The problem of existing systems is that they can be simplistic. The existing system is based on injury claims. If the claims go up so do the premiums. If we take the example of small and medium sized enterprises, a very small exposure, can cause a very big injury. Therefore they can be penalized by this type of system." according to Litske.

Enterprises obtain insufficient financial benefit from further improvements to health and safety, so they do not tend to go beyond the minimum safety and health requirements. Economic incentive schemes offer a way of motivating employers to improve the working environment by making it financially worthwhile.

The way forward

This new approach has been tested in cooperation with the French social security system, CNAMTS. "The testing was successful. We can clearly see from the results that the proposals are relevant and realistic. France was chosen to test the approach because it has a structure which could implement the approach as it needs a monopoly type structure. We asked them to see which part of the proposal they could implement straight away and which could be implemented with additional work. Some elements were already in place. The results are very satisfying." 

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The European Social Policy Forum sent out a clear message that we must maintain a broad dialogue on the key challenges if we are to successfully build an inclusive Union. The Foundation can play a role in stimulating and informing critical debates through the wide dissemination of its work and research. The joint conference, reported here, with OECD, supported by the European Commission, is one example. The conference was attended by the full spectrum of those involved in finding a solution to combating the growing problem of urban deprivation through partnership – as a form of community participation.



Publications mentioned

Supporting Employability Guides to Good Practice in Employment Counselling and Guidance

To be available in EN,IT,ES,PT,FI
Cat. No. SY-16-98-465-EN-C
EF/98/34

Direct Participation in the Social Public Services:

Results of EPOC Survey

To be available in EN
Cat. No. SX-15-98-908-EN-C
ECU 28

Summary of this Publication

To be available in EN, FR, DE, IT, ES
Cat. No. SX-14-98-380-EN-C
EF/98/29/

New Forms of Work Organisation - Can Europe realise its potential?

Results of a Survey of Direct Participation in Europe.

Available in EN,
Cat. No. SX-09-97-002-EN-C
ECU 30

Summary of this Publication

Available in EN,FR,DE,IT,PT,ES
Cat. No. SX-12-98-077-EN-C
EF/98/03/

Economic Incentives to Improve the Working Environment in Europe

Interactive CD-ROM

Available in EN
Cat. No. SX-08-97-371-EN-Z
ECU 40

Second European Survey on Working Conditions (1996)

(available in disk format only).

Cat. No. SX-05-97-414-EN-Y
ISBN No. 92-828-0552-2.
ECU: 16.00.

New Publications

European Industrial Relations Observatory – 1997 Annual Review

Available in EN
www.eiro.eurofound.ie

Challenges for Urban Governance in the European Union

Available in EN,FR
Cat. No. SX-16-98-473-EN-C
ECU 24

• Foundation Reports are on sale from the Office for Official Publications of the European Communities, L-2985, Luxembourg. Where prices are not quoted, the document is free of charge

New look news

Welcome to the first issue of *Communiqué*, the monthly newsletter of the Foundation which will replace the quarterly *Bulletin* from the Foundation. The Foundation hopes that its wide audience enjoys the new format which will provide up-to-date news and information on its work and research. ☀

Employment, family and community activities

a new balance for men and women

The creation of paid jobs in areas that have been traditionally unpaid - such as care, household cleaning and catering - is the subject of a new project being undertaken by the Foundation. It will focus specifically on the changing relationship between employment, family and community activities of men and women.

Studies will be conducted in Member States to examine the character and scale of new employment in selected areas of work and to document the working conditions of those employed in household services. The project will aim to identify measures in the workplace and public policy that promote reconciliation of employment in these sectors, with family and community life. ☀

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Partnership conference

Speaking at the opening of the joint conference of the OECD and the Foundation on Partnerships, Participation, Investment and Innovation - Meeting the challenge of distressed urban areas, DG XVI representative Stefaan De Rynck, European Commission, expressed the Commission's support for the conference because it would contribute to policy reflection in which the Commission is currently engaged. This encompasses the systematic review of EU policies from the urban perspective, leading to the drawing up of an Action Plan on sustainable urban development.

Eric Verborgh, deputy director of the Foundation said there is a great deal of evidence to support the partnership approach to tackling concentrations of deprivation and disadvantage. "It can enhance the performance of mainstream policies, act as a focus point for innovation and add value in leveraging additional resources and in increasing resource efficiency."

The conference underlined the role of local partnerships and the development of local community involvement in combating unemployment and exclusion. Contributions to the conference covered national experiences in building and strengthening partnerships, the role of policy in encouraging partnership efforts, and the specific types of policy innovations and investments that have proved successful in distressed urban areas. A report is being finalised and will be published by the OECD. ☀

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communiqué

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