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COMMISSION COMMUNICATION EMPLOYMENT AND SOCIAL POLICIES: A FRAMEWORK FOR INVESTING IN QUALITY

UNICE POSITION PAPER

I. Introduction

In UNICE's "manifesto" on European social policy published when the current Commission and European Parliament came into office, European companies pleaded for a more qualitative approach to employment and social policies at the EU level. They therefore warmly welcome the debate launched by the Commission communication on employment and social policies: a framework for investing in quality.

With this Communication, the Commission aims at:

- defining a clear approach to improve quality of work,
- establishing a coherent and broad set of indicators on quality in work,
- ensuring that the goal of improving quality is fully integrated in employment and social policies through quality reviews.

After analysing the relationship between quality of work and modernisation of the European social model, the Commission proposes a definition of quality of work around ten key areas and suggests three indicators for each area:

- intrinsic job quality,
- skills, lifelong learning and career development,
- gender equality,
- health and safety at work,
- flexibility and security,
- inclusion and access to the labour market,
- work organisation and work-life balance,
- social dialogue and worker involvement,
- diversity and non-discrimination,
- overall economic performance and productivity.

II. General comments

First of all, UNICE would like to stress that "quality" has been at the heart of companies' daily life for many years. A constant pursuit of quality improvements is necessary for their efficiency and competitiveness. "Quality in employment" is an integral part of companies' policies. However, companies' policies to achieve quality in employment must be adapted to their specific circumstances. Quality assessment is also strongly influenced by the overall social and cultural environment. Moreover, with the individualisation of lifestyles, workers needs vary. There are many ways to match companies' and workers' needs in order to achieve quality in employment.

In Lisbon, Europe has defined a strategy to turn Europe into the most competitive knowledge-based economy in the world. It has also decided to significantly increase employment rates in order to solve Europe's employment problem. In Nice, the European Council adopted a new European social policy agenda to underpin the Lisbon strategy. These decisions mean that the European Union has opted for both quantity and quality in employment.

From the outset, European companies have given unambiguous support to the Lisbon strategy, and in particular to its strong reliance on the method of open coordination. They therefore fully support initiatives to benchmark Member States' abilities to reach the objectives they have set themselves in Lisbon. However, they insist that benchmarking the quality of jobs must not lead to neglect of the need to increase the quantity of jobs, nor undermine the Lisbon agenda.

UNICE believes it important to fully implement the Lisbon strategy rather than

- re-opening a debate on an approach to improve quality of work ,
- creating new quality reviews.

The debate on quality of work should concentrate on the identification of a limited number quality indicators to be included in the Luxembourg process, alongside existing quantitative indicators, without overloading the process. Given the difficulty of capturing the complexity of quality in quantitative indicators, exchanges of good practices should also be envisaged.

III. Comments on the key areas and indicators

As the selected indicators will serve as a basis to make policy recommendations, it is essential that they are:

- <u>objective</u> (they should measure progress achieved in terms of outcomes. If subjective indicators based on surveys of opinions are used, they should be clearly designated as such);
- <u>comparable</u> (if comparability problems occur, they should be accompanied by a clear explanation of the statistical differences);
- <u>up-to-date</u>, and available on a regular basis so as to monitor developments over time;
- using <u>available data in order to avoid imposing an additional administrative burden</u> on companies.

In UNICE's view, the definition and the ten key areas proposed in the Commission communication are difficult to understand, partly overlap, and will lead to an excessive number of indicators. In order to have manageable quality indicators, it would be desirable to reduce the number of key areas and to limit the total number of indicators to a maximum of ten.

The following criteria are crucial for UNICE:

- number of fatal and serious accidents at work,
- rates of occupational diseases,
- total number of days lost due to sickness,
- one indicator on labour productivity,
- proportion of working age population with low, medium and high levels of education (if possible with breakdown by gender and/or age groups),
- proportion of population with basic, medium and high levels of ICT literacy (if possible with breakdown by gender and/or age groups).
- average time to find first or new job (with breakdown by gender and/or age group).
- employment rate and unemployment rate by gender, age group and educational level,
- proportion of working age population creating their own enterprise (with breakdown by gender, age group and educational level).

IV Conclusion

To summarise, UNICE believes that the outcome of the debate on quality at work should

- recognise that the pursuit of quality is at the heart of companies' daily life and that there are many ways of achieving quality in employment,
- contribute to full implementation of the Lisbon strategy rather than re-opening the debate on an approach to improve quality of work,
- integrate quality indicators in the Luxembourg process, alongside existing quantitative indicators rather than creating new quality reviews,
- limit the number of key areas and of the quality indicators to a maximum of ten to avoid overloading the Luxembourg process,
- promote exchanges of good practice,
- use available objective, comparable, and up-to-date pan-European statistics in order to avoid imposing an additional administrative burden on companies.
