



SPEECH

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ADDRESS BY PRESIDENT ERNEST-ANTOINE SEILLIÈRE

Prime Ministers, Mr President of the European Commission, Ministers, Commissioner Ladies and Gentlemen

When we met in Lisbon last autumn, it was to present the European Social Partners' Joint Analysis of the key challenges facing Europe's labour markets. On behalf of European employers, I would like to thank you for the support you gave to our joint analysis. I am convinced that your support has been instrumental in the constructive and successful debate on flexicurity we have had at European level, culminating in the European Council's endorsement of common principles.

Now it is time for action. Just as Member States need to implement the common principles, we, European social partners, should continue to work on the basis of the joint labour market analysis. Indeed, our recommendations on flexicurity provide the right framework to modernise European labour markets and boost employment and productivity growth.

In this context, I am pleased to announce that we have agreed to start negotiating an autonomous framework agreement on measures and initiatives to enable disadvantaged individuals to enter or remain and progress on the labour market. Ultimately, our aim is to attract more people to the labour market and help workers and companies cope with change to address globalisation and ageing.

In addition, as European social partners, we also take this opportunity to present you a report setting out our views on the progress made by the EU Member States in promoting a better work-life balance during the last ten years. By doing so, we confirm our commitment to undertake joint action to further promote reconciliation of work, private and family life in Europe.

Let me now turn to the main themes on the agenda of this EU Spring Council.

First of all, the launch of the **new cycle of the Lisbon strategy for growth and jobs**. Important progress has been made on Europe's labour markets since the re-launch of the Lisbon Strategy in 2005. Nine million jobs have been created in three years and the unemployment rate is at its lowest level since the early 1980s. However, in the Spring Update of our European Reform Barometer, BUSINESSEUROPE member federations highlight weak reform progress and even reform fatigue in a number of Member States. At the same time, the large majority of business federations believe that the proposed Country-Specific Recommendations correctly identify the key policy priorities at national level.

The top priority is therefore to ensure effective implementation through better governance and increased ownership. To this end, the political debate should focus on concrete deliverables before 2010.

We ask Member States to present clear action plans – with concrete targets and time schedules - to deliver on Country-Specific Recommendations. We also urge governments to raise the profile of the Lisbon strategy at national level. This can be done by closely involving national parliaments and social partners when actions plans are discussed and targets set. Governments also need to communicate more and better with the public to explain why reforms are needed.

Last but not least, a few words about **climate change and energy policy**. In fact, it is for the first time that we are discussing this issue, in particular its impact on employment. The starting point should be that climate protection must not be opposed to growth and competitiveness. A strong and competitive industrial base as well as a vibrant capacity to create wealth is crucial for the European economy to make the necessary massive investments in the energy sector, in the transport sector, in the residential sector and in the search for new industrial production technologies. These investments, in turn, are needed to evolve towards a low-carbon energy system. Energy-intensive industries in particular will face heavy additional burdens resulting from the transition towards a low-carbon economy. Clearly, mitigation measures will be needed to alleviate the competitiveness pressures. FIEC, the European Construction Industry Federation, will later explain in more detail the challenges and opportunities of climate change for the construction sector.

So far, little data exist regarding the potential consequences of the climate change challenge for employment. What is sure, however, is that the Commission's package on energy and climate change will create the need for industries to adapt with all the consequences for companies and workers. It is thereby adding to the sense of urgency to implement flexicurity policies. Indeed, moving forward with flexicurity is key to enable companies and workers to adjust rapidly and seize new opportunities.



CEEP will elaborate further on the climate change challenge for employers in public services. UEAPME will say more about the potential contribution of the Small Business Act to the success of the Lisbon Strategy. But let me already say this: European business welcome the proposal for a European Small Business Act and hope it will give a new impetus to EU and Member State activities in favour of SMEs.

To conclude, implementing the Lisbon Agenda is more than ever a priority. The world economy is facing an unprecedented level of uncertainty, with the US on the brink of recession, continued financial market turmoil, a weakening US dollar and rising inflation. Fast-track implementation of reforms seeking to reconcile employment and productivity and to support domestic demand and external competitiveness is the most viable response in today's challenging environment. Let us now do it.

Thank you for your attention.
