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“PARTICIPATION IN THE EUROPEAN SOCIAL DIALOGUE: WHAT ARE THE SOCIAL PARTNERS’ NEEDS?”

FINAL CONFERENCE 25 AND 26 JUNE 2009

CLOSING PANEL “The European social dialogue in full swing?”

26 June from 11.15 to 12.45

Crowne Plaza Brussels City Centre (Rogier), rue Gineste 3, B-1210

ADDRESS BY PHILIPPE DE BUCK DIRECTOR GENERAL OF BUSINESSEUROPE

Introduction

Ladies and Gentlemen,

This conference marks the end of a big joint project – **24 national seminars in 12 countries over 5 years between 2004 and 2009**. It is an important achievement but this is only a part of the wider process. We must take stock of what we have learned and work together to improve the functioning of social dialogue at all levels.

The role and effectiveness of social dialogue becomes even more important in times of crisis. The crisis has halted the sustained period of growth of the last few years. Unemployment was at a historically low level. Never before were so many jobs created, 10 million over the past three years alone.

As a result of the depth of the financial and economic crisis, the picture has changed dramatically. Companies are struggling for survival and people are losing their jobs. Restructuring has become much more frequent. The existence of a good social dialogue in a climate of confidence is an important factor to limit the negative social consequences.

This project has helped to **reinforce bipartite relations at national level**. This is a big achievement. It is crucial to address the crisis. And it is key to confront the often complex obstacles and challenges facing social partners in the longer term. It is also a natural precondition for being **effective at the European level**.



This requires of course a context of mutual trust and respect, but also sometimes a little bit more. Joint initiatives and activities that fall outside the scope of formal social dialogue processes are key. Formulating joint agendas where possible, and working together on projects, help to cement strong and constructive relationships. For example, the experience itself of running this joint project has even benefitted relations between the European social partners.

This highlights one of the key conclusions of this process which is the need to **move away from the mindset “if we can’t agree on everything we can’t agree on anything”** – as highlighted in Alan Wild’s report.

One of the bi-products of strengthening cooperation in these ways is also to show public authorities that social partners can **autonomously** manage to resolve issues and conflicts where it is their competence to do so.

The European social partners, when embarking on this ambitious exercise, never sought to solve all the problems of their members. It was our idea to help. In many ways we have achieved that. We will soon start discussions about the way to continue our joint activities based on the successes we have enjoyed over the past 5 years.

Enlargement

The 5-year period since the start of the project is a very interesting one. For a start it coincided with enlargement. Since 2004, 12 countries have joined the EU. Our joint project has enabled us to:

- Deepen our understanding of the realities of the countries concerned;
- Study in various ways what are the effects of EU accession;
- Identify the key social and economic issues of those countries, seen through the eyes of social partners,
- And gain experience of how the social partners debate and approach issues.

We are of course deeply aware that each country is unique and has its own specificities – Alan Wild’s report also illustrates this quite clearly. We can nonetheless identify some common challenges, which are not only relevant to those countries, but also to other European countries.

Social Dialogue

The social partners play a key role in addressing these common challenges. And just as those challenges are evolving, so is the European Social Dialogue. Since 2004, we have seen it **intensify and diversify**.

To illustrate the **intensification**, we have just last week in the presence of Commissioner Špidla concluded our revised agreement on parental leave. We are currently negotiating a Framework Agreement on Inclusive Labour Markets. And we are also engaged in important discussions on the recent ECJ rulings on the issue of



economic freedoms and social rights. BUSINESSEUROPE looks forward to continue these discussions after the summer.

Clearly, we are also active in dealing with the crisis. At the European level we recently presented joint recommendations on how to make better use of the European Social Fund in times of crisis.

In addition to European initiatives, what is even more important is what happens at national level. It is at the national level that decisions are taken, that our members are engaged, that companies are engaged. There are numerous encouraging examples of social dialogue actions to deal with the crisis. The Polish example is just one of many.

Given the difficult context we are in with the crisis, one of the key priorities for us now is to work together to implement **flexicurity**. The conclusions of our Joint Labour Market Analysis provide the right basis to do so. Flexicurity is not just applicable for stable and prosperous conditions. On the contrary its effectiveness is demonstrated precisely under more difficult conditions – as today. **Social dialogue at national level** plays a key role on the design and acceptance of flexicurity policies.

It is clear not only that the social dialogue is effective and working well. We are also ready to engage on many issues. This brings me to the **diversification** of social dialogue.

We are developing new tools and tackling new issues. Our Joint Labour Market Analysis of 2007, which I have already referred to, is a good example of a new type of instrument. As part of our **3rd joint Social Dialogue Work Programme for 2009 – 2010**, we will build on it by monitoring the implementation of the common principles of flexicurity at national level. We will also jointly tackle new issues such as economic migration and mobility, as well as climate change.

These are clear indications that we are open to exploring new and better ways of not only adapting our joint instruments and processes according to the needs, but also the issues and themes we tackle together.

Concluding Remarks

One final word to the Commission: our joint projects and activities are a valuable and necessary part of our work. They contribute to the progress of social dialogue. We know that you share our assessment and that you will continue to support us. You have repeatedly stated the crucial role played by the social partners, especially in the crisis. We therefore hope you will maintain the level of funding available for social dialogue.

This important role played by the social dialogue clearly comes out of the project. It has definitely shown that social partners can achieve a great deal not only in the short term in times of crisis, but also beyond. Reforms cannot be successful unless the social partners are heavily involved.