UNION OF INDUSTRIAL AND EMPLOYERS' CONFEDERATIONS OF EUROPE EUROPEAN CENTRE OF ENTERPRISES WITH PUBLIC PARTICIPATION AND OF ENTERPRISES OF GENERAL ECONOMIC INTEREST EUROPEAN TRADE UNION CONFEDERATION

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1999 EMPLOYMENT GUIDELINES Joint Declaration of European Social Partners to the Vienna European Council

- 1. On the basis of their detailed comments on the 1998 Guidelines, ETUC, UNICE and CEEP welcome the progress that has been made over the last year in developing an integrated and coordinated European employment strategy. For 1999, they agree with the Commission that the key words should be consolidation, continuity, and commitment. Accordingly, further efforts are required to promote a balanced application of the four pillars of the Guidelines on employability, entrepreneurship, adaptability, and equal opportunities since otherwise the integrated character of the strategy will be lost, and the goal of increasing the employment rate in Europe to above 70% will not be attained.
- 2. The Social Partners reaffirm their wish to contribute to the process both at EU and national level. UNICE, CEEP and ETUC have decided to examine together initiatives taken by the social partners in the Member States, particularly in the light of the balances struck between flexibility and security. Starting from these practical experiences, they will seek to identify factors for success in time for the December 1999 review. In addition, they ask Member States to ensure that social partners are fully involved in the implementation of the 1999 guidelines for employment, in accordance with national practice.
- 3. European Social Partners are deeply concerned that the international crisis is jeopardising the prospects for a sustained, job-creating medium-term growth process. In these circumstances, the 1999 Employment Guidelines must be accompanied by an appropriate and coherent coordinated economic response from the EcoFin Council on the basis of the Treaty and of the Stability and Growth Pact, as well as from all the other parties concerned. Structural reforms are complementary to this strategy.
- 4. ETUC, UNICE and CEEP consider that one important component of the policy mix for which social partners are responsible, namely wage developments, have contributed to establishing what was becoming a favourable situation, and that likely future developments should not pose constraints on action to deal with the effects of the crisis.
- 5. The Social Partners are therefore entitled to call on the two other groups of actors governments and monetary authorities to avoid detrimental conflicts between them, and to ensure that Europe has a policy mix which not only maintains stability but which is also conducive to growth and employment. The Social Partners recognise that the budgetary measures, particularly with regard to investment and taxation, required to achieve this, and designed to prevent losses of

investor and consumer confidence, must not jeopardise the medium term consolidation process. They welcome the decision to reduce interest rates across the Euro-11 area which is an early indication that, with the inflation objective currently met, the European Central Bank is playing its role, in accordance with the Treaty, in supporting the general economic policies of the Union on growth, competitiveness and employment. This decision should both assist the European economy and make an important contribution to the recovery of the international economy.

- 6. The Social Partners believe that consultation procedures at European level can contribute to ensuring the necessary synergy between the Broad Economic Policy Guidelines and the Employment Guidelines. They recently made proposals to that effect in their joint opinion on the reform of the Standing Committee on Employment (annexed). They very much hope that the Council will take their proposals into account.
- 7. The Commission proposals for the 1999 Employment Guidelines recommend the inclusion of measures designed to foster integration of disabled persons in the world of work. UNICE, CEEP and ETUC have prepared a compendium of good practices which shows that obstacles to employment of people with disabilities in the open labour market can be overcome. They will now bring these positive experiences to the attention of their members as well as to decision makers so that they are a source of inspiration for action across Europe and will start preparing a joint declaration on that subject