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2005 REPORT ON SOCIAL PARTNER ACTIONS ON EMPLOYMENT IN MEMBER STATES

European Trade Union Confederation*

**Union of Industrial and Employers' Confederations of Europe –
UNICE/UEAPME****

**European Centre of Enterprises with Public Participation and of
Enterprises of General Economic Interest**

**2005 REPORT ON SOCIAL PARTNER ACTIONS ON EMPLOYMENT
IN MEMBER STATES**

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* The ETUC delegation includes representatives of the Eurocadres/CEC Liaison Committee

** UEAPME - European Association of Craft, Small and Medium-Sized Enterprises

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Foreword

In their joint work programme for 2003-2005, UNICE/UEAPME, CEEP and ETUC agreed to report on social partner actions in Member States which are relevant for implementation of the European employment guidelines. The first report was submitted to the Spring European Council in March 2004.

In November 2003 the Employment Task Force (ETF) chaired by Mr Wim Kok made recommendations on Member States' labour market policies which were subsequently incorporated in the Council employment recommendations made under the European Employment Strategy. Moreover, the 2005 Spring European Council will be dedicated to the mid-term review of the Lisbon strategy and emphasis will be put on the national follow-up given to the ETF policy recommendations.

The present report seeks to provide an overview of social partners' key joint and/or unilateral initiatives relevant for the implementation of the national policy recommendations grouped under four priority areas:

- increasing adaptability of workers and enterprises,
- making work a real option for all,
- investing in human capital,
- better governance.

The report describes, in the framework of the priority on governance, how social partners were involved in preparation of the 2004 national action plans on employment (NAPs) as well as in the national follow-up activities to the ETF recommendations.

The report does not present an exhaustive or an exemplary list of actions taken by social partners in the Member States in the areas covered by the ETF recommendations. The bilateral and tripartite initiatives described in the national reports give only some examples of partnerships contributing to achieving the European Union employment goals.

The initiatives relating to the priority on investing in human capital are excluded since they are part of the third annual report of the follow-up to the framework of actions for the lifelong development of competences and qualifications.

The present report, which covers most of the 25 countries of the enlarged European Union, is presented to the European Spring Council 2005 as part of the social partners' contribution to implementation of the European employment strategy and the Lisbon strategy.

Moreover, the following initiatives foreseen in the work programme of the European social dialogue 2003-2005 are also directly relevant for the implementation of ETF recommendations and seek to contribute to achieving the Lisbon objectives:

- Annual follow-up reports on the framework of actions for the lifelong development of competences and qualifications
- A framework of actions on gender equality
- A framework agreement on stress at work
- Integrated support programme to social partners in the enlarged Europe

- Joint study on restructuring in the new Member States
- Seminar to discuss case studies and explore possible joint actions relating to the ageing workforce
- Seminar aiming at a joint opinion on undeclared work.

Chapter I - Main trends

Introduction

National social partners from twenty-three countries (Austria, Belgium, Czech Republic, Cyprus, Estonia, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Slovenia, Spain, Sweden, Netherlands and United Kingdom) reported on:

- social partners' key joint and/or unilateral initiatives relevant for the implementation of the national policy recommendations;
- their involvement in the preparation of NAPs and in the follow-up activities to the ETF recommendations.

Most of these initiatives were taken jointly by employer and worker organisations. However, tripartite actions or relevant unilateral initiatives by employers only or trade unions alone were also reported.

An overview of these key initiatives is provided in table 1 below.

The national reports can be found in Chapter II.

The main trends to emerge from these reports are summarised below.

1/ Key initiatives relevant for the Employment Task Force recommendations											
		Adaptability of workers and enterprises			Investment in human capital	Making work an option for all					Better governance
		Foster entrepreneurship and maximise job creation	Develop and disseminate innovation and research	Promote flexibility and security on the labour market		Making work pay	Active labour market policies	Women participation	Active ageing	Integration of minorities and immigrants	
Countries	Austria	-	-	X	Initiatives included in European social partners' third annual report of the follow-up to the framework of actions for the lifelong development of competences and qualifications.	-	X	X	X	-	Information provided in table 2 below
	Belgium	X	-	X		X	X	X	X	X	
	Czech Republic	X	-	X		-	X	X	X	-	
	Cyprus	-	-	X		-	X	X	-	-	
	Denmark	-	-	X		-	X	X	X	X	
	Finland	X	-	X		-	X	X	X	-	
	France	X	-	X		-	X	X	X	-	
	Germany	X	-	X		-	X	X	X	-	
	Greece	X	X	X		-	-	X	X	-	
	Italy	-	-	X		X	X	X	X	-	
	Ireland	-	-	X		-	X	X	-	X	
	Latvia	-	-	X		X	X	-	-	-	
	Lithuania	-	-	X		-	X	-	X	-	
	Luxembourg	X	-	X		-	X	X	-	-	
	Netherlands	X	X	X		-	X	X	X	X	
	Poland	X	-	X		-	X	X	X	-	
	Portugal	-	-	X		-	X	X	-	X	
	Slovenia	X	-	X		X	X	X	-	-	
	Spain	X	X	X		X	X	X	X	X	
	Sweden	X	-	X		-	X	X	X	X	
UK	X	X	X	X	X	X	X	X			

1. Increasing adaptability of workers and enterprises

The majority of initiatives reported in this area concern flexibility and security on the labour market.

1.1. Foster entrepreneurship and maximise job creation

Social partners from thirteen countries reported initiatives relevant for this policy area.

Social partners in several countries were concerned with the issue of **competitiveness in a broader sense (productivity, innovation, employment education, etc.)**.

Bilateral initiatives included actions such as:

- national social partners' recommendations to the government on policy measures aimed at maintaining and improving competitiveness (Greece) and on competitiveness, employment and social cohesion (Spain);
- reports by sectoral social partners on how to maintain and improve national companies' competitiveness (Finland);
- discussions on productivity and competitiveness in the framework of the social dialogue (Cyprus).

Tripartite initiatives included activities such as:

- discussions on competitiveness of the country (Luxembourg);
- work in a body dealing with the future success of national manufacturing industry (UK).

Social partners' actions dealing with **productivity and wage developments** were also reported.

In this respect bilateral initiatives included:

- national social partners' statement recommending wage moderation to sectoral and company level bargaining partners in the wider context of a tripartite agreement (the Netherlands);
- launching Sector Skills Agreements in 2005 aiming at productivity or skills development deals which help to tie wages to productivity (UK);
- company-level collective agreements on levels and parameters of wage developments (Czech Republic).

One report highlighted discussions at tripartite level on the links between employment, productivity and wage developments with ongoing discussions on the role of indirect labour costs (Czech Republic).

Some social partners' actions aimed at **reducing regulatory, financial and administrative burden for companies**.

In this area, the reports included bilateral initiatives such as social partners' proposal for regulatory changes aiming at reducing administrative burdens for companies

(Belgium and Poland) and calls on the government to lower the excessive fiscal burden on labour in comparison with capital (Slovenia).

Tripartite initiatives included actions such as an agreement containing measures to reduce indirect labour costs, in particular for certain groups of workers such as low-paid or older workers (Belgium) and discussions on the reform and the simplification of the labour code (France).

Unilateral initiatives by employers included actions to promote entrepreneurship (Luxembourg, Poland and Sweden) and to raise awareness on the need to reduce red tape for companies (Germany).

1.2. Develop and disseminate innovation and research

Actions in this field were reported by social partners in four countries.

At bilateral level initiatives reported included:

- national social partners' guidelines for increasing labour productivity and enhancing innovation under collective agreements at sectoral and company level (the Netherlands);
- social partners' recommendations to government on investment in research and development (Greece);
- national and regional social partners' discussions on investment in research and development and innovation at (Spain);
- employer and trade union organisations' involvement in regional development agencies (UK).

Unilateral initiatives included employers' skills project aiming at assessing the situation in the country and the trade unions' Manufacturing Task Force aiming at promoting issues such as skills, innovation and intelligent public procurement (UK).

1.3. Promote flexibility combined with security on the labour market

All twenty-one reports include initiatives relating to this area.

In this field, social partners reported actions on **balancing flexible working arrangements with enhanced security on the labour market**.

Bilateral initiatives included actions such as:

- national social partners' discussions on fixed-term work (Austria), on the high level of temporary work (Spain), the implementation of new forms and ways of employment (Cyprus) and the reform of part-time work contracts (Luxembourg);
- social partners' negotiations on a code of practice on access to part-time work (Ireland);
- relaunch of the Investors in People standard, an award for employers committed to upskilling (UK);
- sectoral agreements on various forms of work such as part-time, work-entry contracts, apprenticeship (Italy);
- actions at company level to promote flexible forms of employment (Czech Republic and Poland) and flexible working patterns (UK).

Tripartite initiatives included:

- measures defining the participation of social partners in applying mechanisms of non-standard working schemes (Czech Republic);
- a law on temporary work, providing for better protection of temporary workers, initiated by social partners and broadly discussed in the relevant national tripartite body (Poland);
- a future research study regarding the needs and preconditions for introducing flexibility in the labour market (Cyprus).

Social partners agreed on specific measures to enhance security on the labour market for workers made redundant or at risk of being made redundant in case of enterprise or industry restructuring (Finland, Poland and Sweden) and to assist redundant workers financially (Czech Republic). Measures in this respect were also included in tripartite initiatives in one country (Belgium).

Unilateral initiatives included trade unions' infrastructure for providing advice on employee transfers for companies experiencing economic difficulties (Germany) and regional employers' programme aimed at assisting employees of restructured companies to find new jobs (Poland).

The organisation of **working time** was also a key concern.

In this area, the reports described bilateral initiatives such as:

- national-level agreements on working time management (Spain) and working time reduction (Sweden);
- joint social partners' request to government to release private companies from certain administrative burdens concerning overtime rules (Greece);
- sectoral collective agreements on working time flexibility (Austria, Germany and Portugal);
- company-level collective agreements on overtime rules (Czech Republic), on duration and configuration of working time (Denmark) and on shorter working hours to secure jobs (Germany).

In the framework of tripartite discussions, the Luxembourg social partners discussed the introduction of a legal regime for working-time savings accounts.

Actions related to aspects of **work organisation** were also reported.

Bilateral initiatives included actions in a range of bargaining sectors to improve the work environment (Sweden), to modernise work organisation (Slovenia) and a digital tool for working environment in state institutions (Denmark).

One report stressed that local cooperation regarding the work environment is being developed in many industries (Sweden).

Initiatives were also reported in the area of **health and safety at work**.

Bilateral initiatives included actions such as a manual by national social partners aiming at helping companies draw up an effective prevention policy and advice to government on preventing sickness absenteeism and promoting reintegration of employees on sick leave (the Netherlands).

The tripartite initiatives included actions such as:

- sector-specific occupational health and safety agreements in various industries (the Netherlands);
- regulations concerning training for persons in charge of health and safety matters in companies (Luxembourg).

Unilateral initiatives included employers' actions to prevent and combat work accidents (Luxembourg) and to train companies' representatives (Lithuania) and a trade union project on prevention of alcohol and other drug addictions at work (Portugal).

The issue of **skills mismatch** was subject to regional level bilateral initiatives aiming to promote flexibility as part of the response to the skills mismatch challenge (Denmark and Poland) and to identify local labour market needs (Poland). In two countries, unilateral initiatives by employers aimed at identifying labour market needs (Luxembourg and UK).

2. Making work an option for all

The majority of initiatives reported in this priority area related to activation policies, active ageing and labour market participation of women.

2.1. Making work pay

Social partners from six countries reported initiatives in this area.

In the area of **tax benefits and pay policy**, bilateral actions include a general agreement on cooperation between social partners providing for the collaboration in the development of personal income tax benefits policy (Latvia). Tripartite initiatives were also reported: an agreement on social and economic partnership providing for cooperation in the field of monthly minimal wage and of the personal income tax benefits (Latvia) and employer and trade union involvement in the work of the Low Pay Commission which recommends the level of national minimum wage (UK).

Some reports described social partners' actions aimed at **fighting undeclared work**.

Bilateral initiatives included agreements at national level (Latvia), prevention actions (Slovenia) and at sectoral agreements (concluded in Belgium and ongoing in Italy) as well as joint opinions by sectoral social partners (Italy).

At the tripartite level, measures to combat illegal working were included in a tripartite agreement on social and economic partnership (Latvia), in the so-called "protocols of legality" signed by social partners and public institutions in many areas, especially in the South of the country (Italy), and were subject to tripartite discussions (France, Spain and UK).

2.2. Strengthening active labour market policies

Actions in this area were reported by social partners in twenty countries.

Most reports described initiatives including general measures for increasing employment and combating unemployment.

At bilateral level, reports highlighted actions such as:

- National-level collective agreements covering a wide spectrum of measures in favour of employment (Belgium, Finland and Spain)
- social partners' actions to increase employment and combat unemployment in specific regions (Czech Republic, Denmark, Latvia, Italy, Portugal, Spain and Sweden),
- social partners' agreements including activation measures concluded in the framework of labour market reforms undertaken in their countries (Austria and Italy);
- social partners' actions within the national programme for the labour market and employment aiming notably at increasing employability, combating unemployment, inclusion in active programmes of all young unemployed and reduce regional discrepancies on the labour market (Slovenia);
- a cross-sectoral agreement foreseeing employers' specific contributions for financing the integration of job seekers (Belgium);
- sectoral agreements including measures for the employment of vulnerable groups (Czech Republic);
- regional initiatives relating to training for the unemployed (Austria and Denmark);
- projects on training for vulnerable groups on the labour market (Czech Republic, Denmark and Poland);
- policy advice to government on the active labour market programmes from the National Employment Panel, an employer-led organisation with representation from the trade unions (UK).

Reports describes tripartite initiatives such as a tripartite agreement including various employment policy measures (concluded in Latvia and under consideration in Lithuania), measures in favour of re-entry on the labour markets for the unemployed (France) and on the conditions for subsidies for those unemployed replacing employees on parental leave (Austria).

Unilateral initiatives by trade unions included reference clauses for collective bargaining regarding the integration and employment of disadvantaged workers such as disabled and immigrant workers (Portugal) and participation in tripartite commissions dealing with regional labour market policies (Lithuania).

Specific measures targeting integration of **young people** into the labour market were also reported.

Bilateral initiatives in this area included: national-level social partners' recommendations to bargaining partners at sectoral and company level to intensify measures aimed at increasing the employment of young people (the Netherlands) and programmes which provide for courses where young people obtain skills normally gained in companies (Austria).

Some reports described unilateral initiatives aiming at the integration of young people by employers and by trade unions (the Netherlands).

Social partners' initiatives also included specific measures aiming at increasing the labour market participation of **people with disabilities**.

Bilateral initiatives in this field included actions such as:

- collective agreements at national level including measures to promote employment of disabled (Austria and Belgium);
- a charter on equal opportunities for disabled workers (Luxembourg);
- social partners' project establishing local networks to promote employment opportunities for people with disabilities in the private sector (Ireland);
- monitoring progress towards the goal of having 3.6% of state employees employed within an inclusive labour market (Denmark);
- gathering of best practices as regards employment of people with disabilities (Austria and Spain).

At tripartite level, an action plan to integrate disabled was agreed between social partners and the Flemish government (Belgium) and social partners were involved in the drafting of the relevant legislation dealing with the professional integration of disabled people (Luxembourg and Slovenia).

Unilateral initiatives by regional employers' organisation aimed at improving information, exchanging experiences and developing strategies relating to participation of disabled people in the labour market (Germany).

2.3. Initiatives promoting active ageing

Active ageing was dealt with by social partners in fifteen countries.

Bilateral initiatives in this field included actions such as:

- collective agreements at national level including measures promoting active ageing (concluded in Belgium, Denmark, the Czech Republic and Greece and planned in France)
- sectoral collective agreements on old age flexibility (Austria) and on reforming the mechanisms of early retirement (scheduled in France);
- agreements at regional and local public including measures on active ageing (Denmark);
- national social partners' recommendations to sectoral and company-level bargaining partners regarding working conditions, additional training, career guidance, job modification (the Netherlands);
- proposal to government to reduce from 58 to 57 years old the age from which reduction of social security charges would be allowed (Belgium);
- measures aimed at designing of mentorship schemes (older workers training younger workers) (taken in Belgium and to be developed in Sweden) and on new career options for older workers in physically and mentally demanding occupations (to be developed in Sweden);
- exchanges of experiences and gathering of good practices regarding the employment of older people (Austria and Denmark);
- project on improving working conditions for older people at company level (Austria) and on senior employees' competence (Denmark).

At the tripartite level, actions included:

- further measures to increase the participation rate of older workers notably by laying down in greater detail conditions for accrual of a flexible pre-pension (the Netherlands);
- an "Age Partnership Group" in charge with disseminating information on age regulations to every employer (UK);
- a project on the future of work and the quality of work in a society where demographic development leads to an ageing workforce (Germany).

Unilateral initiatives included projects relating to the ageing workforce by employers (Germany and UK) and by trade unions (Germany).

2.4. Measures aiming at increasing the participation of women

Social partners from nineteen countries reported initiatives in this area.

Bilateral initiatives included activities such as:

- cross-border agreement at national level on equal opportunities in the field of employment encouraging actions at sectoral and company level (France), on pay equality (Belgium) and on increases in maternity benefit (Ireland);
- negotiations on legislation and a code of practice on parental leave (Ireland);
- national social partners' recommendations to bargaining partners at sectoral and company levels regarding the financing of child care leave (the Netherlands) and a review of social security system assessing to what extent it facilitates combining work and family responsibilities (Ireland);
- sectoral agreements on gender equality (the Czech Republic), on maternity or parental leave (Denmark and Sweden) and on working time arrangements to reconcile work and family life (Portugal);
- agreements on flexible arrangements concerning the granting of childcare leave (Greece);
- company level agreements on combating sexual harassment (Luxembourg);
- discussions on integration of women into labour market (Spain) and on gender pay gap in the local government (UK)
- social partners' involvement in relevant national bodies (UK, Germany and Ireland)
- ongoing study on indirect discrimination in the collective bargaining in the hotel sector (Portugal).

Unilateral initiatives included:

- reference clauses for collective bargaining elaborated by trade unions on issues related to gender equality (Portugal)
- factual documentation on gender segregation on the labour market and gender pay gap by trade unions (Sweden);
- employers' actions to promote women to senior executive positions (the Netherlands), to promote women entrepreneurship and to establish remuneration systems based on competences and job position (Luxembourg);
- national trade union organisation's action programme on equal opportunities (Germany);
- seminars by regional employers on family-friendly personnel policy (Germany).

2.5. Measures aiming at the integration of ethnic minorities and immigrants

Social partners' actions regarding integration of ethnic minorities and immigrants into labour markets were reported in eight countries.

At bilateral level, one joint statement on ethnic minority under-employment was reported (UK).

Most initiatives in this area often included the participation of public authorities as follows:

- project on the integration of refugees and immigrants in the agriculture and dairy products sectors (Denmark) and on the integration of non-Irish national worker (Ireland);
- organisation of the "Anti-Racist Workplace Week" (Ireland);
- cooperation agreements between individual national-level employers or trade unions organisations with government body on integration (Sweden);
- participation in Government's Ethnic Minorities Employment Task Force (UK).

Unilateral initiatives took the form of a survey by the Organisation of Managerial and Executive Staff (Denmark) and of a trade unions' programme on drop-out prevention among Moroccan youngsters (the Netherlands).

3. More investment in human capital

The social partners' actions in this area are not described in the present report since they are part of the third annual report of the follow-up to the framework of actions for the lifelong development of competences and qualifications.

4. Better governance

Social partners' involvement in the NAP employment

Social partners were usually consulted during the preparation of the NAPs. In some cases their comments were broadly taken into account (Belgium, Cyprus, Finland, Greece, Italy, Luxembourg, Slovenia and Sweden), in others their comments had some impact (Czech Republic, Germany, Latvia, Netherlands, Poland, Spain, UK) or very little impact (France, Ireland and Portugal). In many countries social partners' joint contributions were included in a distinct manner in the text of the NAP and/or its annexes (Belgium, Czech Republic, Denmark, France, Germany, Italy, Luxembourg, Spain, Sweden and UK).

In terms of quality, the consultation improved over the years in one country (Germany), but was seen as unsatisfactory due to an inadequate method of involvement (Spain), insufficient time for consultation (Ireland, Netherlands, Portugal and Spain) and the absence of discussions with government (Austria).

Lastly, ways of involving of social partners did not change significantly with the synchronisation and streamlining of the Broad Economic Policy Guidelines (BEPG) and the EES. Generally, no direct link can be perceived between social partners' involvement in constructing the NAP employment and drawing up the national reports on implementation of BEPG. Nevertheless, social partners were involved in

the implementation of the Broad Economic Policy Guidelines in two countries; (Cyprus and Greece) or asked to be involved (Belgium).

National follow-up activities to Employment Task Force recommendations

Certain reports indicated that the ETF recommendations were integrated in the NAP (Cyprus, Poland and Portugal).

Social partners took on board the recommendations in the framework of their work on EES (Belgium) whereas employers and trade union organisations translated and disseminated separately the relevant parts of the ETF recommendations (Czech Republic).

In several countries the ETF recommendations were subject and/or are going to be subject to discussions and follow-up in national bodies involving social partners (Czech Republic, Finland, France, Luxembourg, Sweden). In one country (Portugal), social partners were not consulted in the governmental follow-up.

Follow-up with social partners' involvement concentrated so far on specific issues addressed by the recommendations such as the reduction of labour and non-labour costs (Czech Republic and Finland). Social partners recalled the role they play in shaping labour market policy (Germany) and the specific initiatives which are relevant for the ETF recommendations (Czech Republic, Ireland and UK).

In some cases, no concrete follow-up at national level whether by government or social partners was reported (Greece, Italy, Slovenia and Spain).

An overview of social partner involvement is provided in the table below.

		2/ Better governance				
		Involvement of social partners in preparation of NAPs				National follow-up activities to recommendation by Employment Task Force report
		Did the government ask social partners' opinion on draft NAPs?	Did government take social partners' opinion on draft NAPs into account?	Were social partners involved in drafting parts of NAPs?	Did synchronisation of BEPG with EES impact on the involvement of social partners in preparation of NAPs?	
Countries	Austria	Yes	No specific follow-up	No	-	National follow-up activities insufficient
	Belgium	Yes	Yes	Yes	No, but social partners asked to be involved in the BEPG process	Social partners integrate the follow-up to ETF recommendations in their work on EES.
	Czech Rep	Yes	Some impact	Several parts of the NAP include joint social partners input	-	Social partners translated and disseminated separately parts of the ETF recommendations Social partners to participate in newly established committee in charge of dealing with the recommendation on reducing labour costs
	Cyprus	Yes	Yes	No	Social partners participate in the tripartite Economic Advisory Committee	Recommendations were largely included in the NAP
	Denmark	Yes	-	Yes	Not directly, but some influence on the social partners' preparatory work	-
	Finland	Yes, but involvement is marginal	Yes	No	-	Measures concentrated on the recommendation to further reduce non-wage labour costs. Social partners are involved.
	France	Yes	Very little impact	Social partners' position was included in boxes in the text of the NAP	No	No concrete follow-up by government or at tripartite level; ETF recommendations recalled in social dialogue meetings; more specific follow-up at social partners level to be decided after meeting in February 2005

Germany	Yes	Consultation process and its impact improved over the last years, but NAP remains a governmental product and does not represent a compromise between governmental and employers' and trade unions' opinions	In general, social partners' projects and initiatives are taken into account in the NAP	No	Germany has recently experienced several attempts of reforming the labour market. However, major initiatives were taken before the Kok Employment Task Force report was published. Social partners play an active and constructive role within the reform process.
Greece	Yes	Yes	No	No impact on the involvement in NAP, but social partners are involved in the implementation of BEPGs	No follow-up activities
Ireland	Yes	Very little impact. The process was ineffective, the time to respond was very short	No	No	No effective follow-up, but many recurring themes in successive social partnership contribution to the NAP match the ETF recommendations
Italy	Yes	Yes	Yes	No, but social partners were informed about the government's orientations to implement BEPGs	No follow-up activities
Luxembourg	Yes	Yes	Indirectly. Social partners' contributions were included in the NAP	No	Responsible body postponed follow-up until new government was in place. Follow-up planned in the Social and Economic Council.
Latvia	Yes	Some impact	No	No	
Lithuania	Yes	Different views on the future NAP	No	No	No involvement
Netherlands	Yes	Some impact, although documents arrived late	No	-	-

Poland	Yes	Some impact	No	Yes	Recommendations were taken into account in the NAP
Portugal	Yes	Very little impact. Consultation occurred at a late stage and very short time was allowed for comments. Important policy measures were not discussed at all	Yes	No	Follow-up done unilaterally by government in the framework of the NAP, but not discussed with social partners
Slovenia	Yes	Yes	-	In principle synchronisation was considered in the preparation of NAP	No involvement
Spain	Yes	Some impact, but insufficient due to a lack of an appropriate involvement mechanism	Yes	No	No social partner involvement in follow-up
Sweden	Yes	Yes	Yes	No	Follow-up planned by government. Social partners to be informed
UK	Yes	Some impact, but different views on role of social partners	Yes	Not directly, but economic and employment policy initiatives involving social partners are coherent with the BEPGs	Employers and trade union organisation are committed to monitor follow-up and input to it. Both sides will use own research on labour market flexibility to bring the ETF recommendations forward

Chapter II – National reports

Austria

Organisations:

- Workers: ÖGB (Austrian Trade Union Federation) and AK (Austrian Chamber of Labour), members of ETUC
- Employers: IV (Federation of Austrian Industry), member of UNICE, WKÖ (Austrian Federal Economic Chamber), member of UEAPME

1. Increasing adaptability of workers and enterprises

At national level

Within the framework of a Labour Market Reform Package the Austrian Social Partners have successfully negotiated the conditions for placement in specific jobs within the unemployment insurance scheme.

The Social Partners negotiated new adequate conditions, consisting of modified regulations concerning the length of period for rejecting a job unrelated to the previous occupation including a "pay guarantee" and precise regulation for the daily commuting time.

These new regulations were adopted by the Austrian Parliament and will be enacted by 1 January 2005.

The social partners and the representatives of the government within the public labour market service (AMS) defined together the conditions for subsidies for the placement for those unemployed replacing employees going on parental part-time leave; in force since November 2004.

Since there are more and more young people seeking apprenticeships in vain, the social partners were successful in establishing a so-called "security net": For 2004/2005 7,300 young persons can be trained in ten-month courses where they obtain the skills normally trained in companies.

For the disabled there now exists the option of prolonging apprenticeship by 1 – 2 years (with final exam) or of obtaining a "partial qualification" (which is certified). This new regulation has been negotiated by the social partners and is valid until 2008. An evaluation will decide upon the future of the programme. A crucial point will be the number of apprenticeships offered by the companies for this special target group.

Ageing: In May social partners organised a two-day expert hearing with representatives from companies (management and works councils) and consulting companies dealing with best practices for productive ageing; a report of this expert hearing is available on the social partners' website www.arbeitundalter.at .

At a kick-off conference called "Gegenstrom" ("Against the Tide") organised by the Chamber of Labour, the Trade Union Federation and their vocational training

institute bfi, a new training programme especially designed for employees older than 45 has been introduced.

The Austrian Social Partners were directly engaged in important initiatives for the integration of people with disabilities ("Sensitec"- an integration Project; www.arbeitundbehinderung.at - a web portal with best practices for successful employment of people with disabilities).

A public presentation of best practices and the framework for raising the employment of people with disabilities was organised in March.

Women: The Federation of Austrian Industry invited, within its initiative www.industriekarriere.at, school classes to collect best practices of women with technical studies background who made a career. These examples of good practice are intended to encourage young women to choose a technical qualification path for their vocational education.

Flexibility: Employer organisations asked the government for a reform of the working time legislation with the aim of more flexibility in working time arrangements (widening of the daily and weekly working time and more possibilities for individual arrangements at company level).

Trade unions are of the opinion, that the scope of collective agreements' policy offers plenty of possibilities to react to requirements for working-time flexibility.

At sectoral level

A certain number of collective agreements were concluded regarding flexibility on working time, old-age flexibility, short-term work, paid time for qualification and working-time reduction (from 40 to 38.5 hours). In autumn 2004 metal workers negotiated a new metal wage and income scheme with decreased biennias for both groups.

Some apprenticeship trainings have been structured in modules: there is a basic module of two years followed by one or more specialising module(s) of one year. This new structure has been developed by the social partners represented in the "Bundesberufsausbildungsbeirat".

At regional level

At the regional level the Social Partners are involved in the labour market policy equivalent to the federal level. In particular, they are concerned with the enforcement and development of placement models (for better vocational preparation of the unemployed for reintegration into the labour market.

At company level

For example within the largest Austrian steel producer VOEST-Linz, the "LIFE" project was initiated with the aim of improving the working conditions for elderly people.

2. Making work a real option for all

At national level

Direct involvement in the public labour market service led to coordinated measures within the annual aims of AMS.

3. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

Nevertheless, we would like to mention the following.

In 2002 the Chamber of Labour (the legal representation of all Austrian workers and employees with obligatory membership) launched a new initiative, the "AK Bildungsgutschein" ("Learning Voucher of the Chamber of Labour") with a value of € 100 a year. The voucher can be used for specific courses at selected training providers.

The second evaluation of the Learning Voucher in Vienna showed that 24% of the participants took part in a course for the very first time (compared with 18% the year before). This shows very clearly, that the voucher has become an effective instrument to motivate people for LLL. Every sixth employee (16%) in Austria uses the voucher for his privately financed training. The lower the income, the less the formal qualification, the more often the voucher is used.

4. Other initiatives

At present Social Partners work out an opinion on macro-economic challenges, concerning the "Lisbon-objectives" and moreover an opinion on challenges of demographic development with special attention on labour market.

In order to improve the employment situation of older workers the social partners initiated several measures for instance such as the website "arbeitundalter.at", launched by the Federation of Austrian Industry and the Federal Chamber of Labour or an initiative by the Austrian Federation of Trade Unions, within which an info brochure "Ältere Arbeitnehmer – das verborgene Gold im Unternehmen" was elaborated and addressed above all to works councils, dealing with the challenges and problems of older workers on the labour market and offering several comprehensive approaches to improve their situation.

5. Better governance

Social partners' involvement of in the NAP employment

The Social Partners were invited to contribute written documents to the development of the National Action Plan. By contrast with the year 2000 and before, no further meetings for the discussion of the creation of the Action Plan followed.

The Austrian Social Partners have the legal right to send their representatives to the tripartite board of the Austrian labour Market Service organisation. In this way the

Social Partners influence labour market policies and participate in the elaboration of the National Action Plan.

National follow-up activities to recommendations by Employment Task Force report

The national activities to follow up the recommendations have been insufficient. Especially the follow-up in the areas of promotion / development of human capital and lifelong learning are concerned, but also the essential improvement in working conditions and quality of work.

The Social Partners are involved in the public labour market service (AMS) and play an important role in creating specific measures for different groups, especially women and older workers.

Belgium

Organisations:

- Trade unions: FGTB-ABVV (General Federation of Labour in Belgium), ACV-CSC (Confederation of Christian Trade Unions), and CGSLB (General Central of Liberal Trade Unions of Belgium), members of ETUC
- Employers: VBO-FEB (Federation of Belgian Enterprises), member of UNICE and UNIZO (Union of Self Entrepreneurs), member of UEAPME

1. Increasing adaptability of workers and enterprises (Employment Guideline –EG 3)

- Promoting a better balance between work and private life, and between flexibility and security...

An appeal was launched in the last cross-sectoral agreement dated 17 January 2003 to the sectors, asking them to "examine all the possibilities already included in the CCT n° 77 with a view to finding the best accommodation between family life, private life and work without impeding the functioning of companies".

It will be recalled that the new system for time credit, career diminution and reduction of part-time working was foreseen by the cross-sectoral agreement dated 22 December 2000 and implemented in the framework of collective labour agreement n° 77 dated 14 February 2001. It was foreseen that some points of this agreement would be fleshed out in collective labour agreements concluded at sectoral level.

An evaluation of the system is currently under way in the National Labour Council.

- Quality of work...

The National Labour Council issued an evaluation report n° 63 on CCT n° 72 dated 30 March 1999 concerning management and prevention of work-related stress, as well as its impact.

The Council also published an information brochure addressed to the various players in order to raise their awareness of this issue. Lastly, it was the source of a number of specific proposals addressed to the government, formulated in its opinion n° 1.462.

- Preparation and dissemination of new, innovative and durable forms of work which foster productivity and quality of work...

Work is currently under way in the National Labour Council to transpose the voluntary European agreement on teleworking. It should be recalled that this issue was the subject of sectoral negotiations. The cross-sectoral agreement dated 22 December 2000 invited the sectors to use all the possibilities for innovation in order

to meet a dual objective: economic necessities of businesses on the one hand, and the collective and individual aspirations of workers on the other.

- Anticipatory and positive management of change and economic restructuring...

This question was the subject of discussions between the social partners at federal level and the federal authorities in October 2003, at the National Conference on Employment. What emerged was a new approach based on seeking out new work possibilities and aiming to involve all parties as fully as possible, i.e. the employer restructuring, the new employer and the worker.

Another outcome is a policy for activation of the company undergoing restructuring, geared to finding workers new jobs, a policy which is encouraged in the interest of all the parties concerned, including the interest of the new employer. Activation of a job unit, with trade union and employer representation, is encouraged via financial incentives.

The new measures were implemented by the federal authority on 1 July 2004. They are intended to encourage all parties concerned by a restructuring operation to do their utmost to get dismissed workers back to work:

- Companies which have created their own unit to flank workers dismissed as part of a restructuring operation can reclaim the costs of this unit up to an amount of € 1,800 per worker;
- The workers concerned will benefit from a reduction in their personal social security contributions once they find a new job;
- The new employer of these workers will also be granted a temporary reduction in the employer's social security contributions;
- The Communities and Regions have also concluded a cooperation agreement which makes provision for establishment of a common plan when workers from different regions are affected by the restructuring of an enterprise. Flanders also envisages granting a one-off tax reduction for workers in a company undergoing restructuring who find a permanent job. For its part, Brussels decided to act more rapidly and more efficiently.

- Skills shortages and bottlenecks...

The social partners paid particular attention to this problem at a National Conference on Employment, in October 2003. In concrete terms, the sectors, in collaboration with placement services and taking account of the situation on each labour market, were asked:

- to monitor developments in professions and skills periodically and prospectively;
- to increase specific training efforts for sensitive functions.

Lastly, the conclusions of the National Conference on Employment comprise a specific objective for sensitive functions, i.e. to give appropriate training to 10,000 persons in 2004.

2. Make work a real option for all

- Durable employment for the unemployed and inactive (EG 1)... the cross-sectoral agreement of 17 January 2003 prolonged for the years 2003-2004 the existing system of a 0.10% contribution payable by employers in favour of persons in at-risk groups (notion to be defined by the sectors) or who are eligible for a placement course. The prolongation also applies to the existing employer contribution of 0.05% intended to finance placement courses for young people. Companies also participate in the financing for flanking jobseekers.

In addition, flanking of jobseekers was the subject of the particular attention of the social partners in the framework of the conclusions of the National Conference on Employment: the importance of putting in place a coherent approach by 2006 whereby each jobseeker can count on a flanking and training offer was underlined. This was given concrete expression in a new cooperation agreement between the Federal Authority, the Regions and the German-speaking Community. Among other things, this agreement makes provision for placement services to offer intensive flanking to the unemployed under the age of 25 before they have been unemployed for six months.

For other categories of unemployed, this flanking will be provided before they have been unemployed for twelve months.

Lastly, the Regional Authorities and social partners have been asked to examine whether the flanking system can be improved, and the social partners at federal level have undertaken to verify the extent to which sectoral training funds could optimise their collaboration with initiatives launched by the regions or communities.

- Active ageing (EG 5)...

In order to preserve and create jobs more easily, the agreement concluded between the social partners at federal level and the Federal Authorities at the National Conference on Employment provides for pursuit of the policy to reduce indirect wage costs, in particular the wage costs of specific groups of workers such as those on low pay and older workers.

In addition, the regime put in place by the social partners in the framework of collective labour agreement n° 77 bis dated 19 December 2001 superseding collective labour agreement n° 77 dated 14 February 2001, establishing a system for time credit, career diminution and reduction of part-time working, comprises particular provisions concerning the right of workers aged 50 and over to reduced working time.

Among other things, this regime enables workers who opt to reduce their working time by 50% to upgrade their existing skills by taking part in training, flanking or tutoring activities in their company or sector during the hours when they are released from work.

An evaluation of the impact of the career break and time credit on developments in the work activities of persons aged 50 and over is currently under way in the National Labour Council.

The 2000 agreement in the non-commercial sector makes provision for a gradual reduction in working times for workers reaching the end of their careers. It is important to evaluate the impact of this measure on the employment rate of older workers in the sector.

The social partners are also the source of the proposal for reducing from 58 to 57 the age at which reduced contributions for older workers are granted.

Older workers also benefit from priority allocation of the 0.10% contribution levied on companies for training at-risk groups, in line with the conclusions of the National Conference on Employment.

It is also recalled that collective labour agreement n° 82 dated 10 July 2002 on the right to vocational reclassification applies specifically to workers aged 45 and over who are dismissed (see also recommendation n° 15 dated 10 July 2002 to bilateral commission on the same subject).

- Additional reductions in levies on labour...

In the framework of EG 8 (Making work more financially attractive thanks to incentives), the National Conference on Employment prompted new agreements between the social partners at federal level and federal institutions for pursuing the policy to reduce social charges on labour, with which the social partners have been associated for many years:

- As a result, the structural reduction in charges has been strengthened. An additional budget of € 254 million in 2004 and € 461 million in 2005 (the year when the measure will be up to full speed) has been provided to this end. The last cross-sectoral agreement already made provision, in a royal decree, for the possibility of increasing the structural reduction in charges on workers aged 58 and over.
- Concerning Maribel social (non-commercial sector), an increase in the reduction of contributions of € 37.5 million in 2004 and € 115 million when the measure reaches full speed (2005) is provided for.
- Concerning low salaries, it has been decided to increase the reduction in social contributions for the lowest salaries (salaries below or not much higher than the minimum salary for adults) and to widen the scope of this reduction by raising the threshold for this reduction to be granted. This measure will receive an additional € 51 million in 2004, and € 179 million starting in 2005

Furthermore, the simplification of employment plans announced in the previous NAP came into force on 1 January 2004. The conclusions of the National Conference on Employment also comprise the agreement by the social partners at federal level on simplification of the social balance sheet (reporting by companies on a number of social indicators) in the framework of administrative simplification.

Regarding getting young people to work, and in particular the low-skilled, the conclusions of the National Conference on Employment make provision for adaptation of the reduction for young people, which is strengthened and simplified, for both employers, social secretariats and the administrations concerned. The new regime came into force on 1 January 2004 and has been given a budget of € 30 million.

A reduction in charges for additional jobs in the non-commercial sector and in personal services is also provided for.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

4.1 Federal level

a. Equal treatment between women and men (EG 6)

It is recalled that, in execution of the cross-sectoral agreements dated 8 December 1998 and 22 December 2000, the National Labour Council on 19 December 2001 concluded collective labour agreement n° 25 bis amending collective labour agreement n° 25 dated 15 October 1975 on equality of pay between male workers and female workers.

This collective labour agreement entrusts the specialist bilateral commission with the mission of informing and raising the awareness of the social partners to the issue of initiatives for job evaluation systems which are neutral with regard to sex, as well as submitting opinions and providing bilateral commissions with assistance.

In addition, the National Labour Council sent communication n° 8 to the bilateral commissions, which explains the role of the specialist bilateral commission.

Hence, the social partners have put in place at cross-sectoral level the framework of instruments needed for action by the social partners in combating unequal pay.

The initiatives taken in this framework support those which can be taken with ESF co-financing.

b. Promoting integration of disadvantaged persons on the labour market and combating discrimination against them (EG 7)

In the framework of the increased training efforts defined at the National Conference on Employment, the social partners have asked sectors and companies to earmark the 0.10% employer contribution to at-risk groups, in particular older workers, low-skilled, the disabled and foreigners.

Apart from particular training efforts, various measures have been implemented to promote employment of weaker categories on the labour market.

Concerning the disabled, it is pointed out that the 2003-2004 cross-sectoral agreement contains a particular appeal, on behalf of the disabled, to sectors and companies with a view to their being taken into account on a dual basis for verification of the quotas imposed for engagement of young people in the framework of a first job contract.

The law of 1 April 2003 on execution of the cross-sectoral agreement for the period 2003-2004 follows up this appeal in favour of all disabled people aged less than 30 who are jobseekers and registered with a regional or community fund for social reclassification of the disabled. Accordingly, engagement of these disabled persons counts twice for the obligation on employers to recruit young people. In addition, various initiatives have been taken by employer and worker organisations.

c. Transforming undeclared work into a regular job (EG 9)

The National Conference on Employment makes provision for strengthening the fight against social fraud. The approach defined consists in implementing better collaboration between social inspection services, via the Federal Committee for Combating Illegal Work and Social Fraud created by the law of 3 May 2003. New resources will be earmarked for this and notably for more advanced computerisation, which should make it possible to optimise the processing of fraud dossiers at the different stages of the procedure.

In addition, the social partners are closely involved within the National Labour Council in monitoring and development of the various aspects of administrative simplification (multifunctional declaration, social risk declaration, DIMONA).

In this regard, their action also follows the line of the decisions taken by the Council of Ministers held in Gembloux on 16 January 2004, one of the themes of which was combating social fraud. The philosophy of the measures adopted consists in greatly simplifying a whole series of social rules, so that these rules can be better understood and complied with, and their application can be monitored effectively by the inspection services.

Agreements have been reached between social partners in various sectors (security, cleaning, construction, etc.) to combat non-regularised work.

Lastly, an information campaign on the respective obligations of employers and employees is currently under way in order to prevent recourse to undeclared work for employment of workers with diplomatic missions.

2. Levels of the federated entities

In the region of Wallonia, the contract for the future (political declaration) has been accompanied by a set of specific partnership arrangements with the social partners, notably regarding development and creation of businesses, combating discrimination in recruitment, training and development of alternance-based training, integration of disabled persons and childcare. Partnerships are also in place for administrative simplification, environment, research and development, and quality.

In addition, at the level of the French-speaking community, the social partners at cross-sectoral and sectoral level have signed a joint declaration, prelude to a strategic contract for education with the following two main objectives: refocus education on basic knowledge and an upgrading of education leading to qualifications.

As in previous years, an agreement on a joint plan of action has once more been concluded between the Flemish government and the social partners, as a contribution of Flanders to the national action plan. This Flemish action plan includes not only the contribution that the Flemish government wishes to make but also the commitments made by the social partners themselves.

The important new points of emphasis this year are mainly:

- extension to the long-term unemployed of systematic flanking, as a follow-on to activation measures at federal level: the precise details have been worked out in close concertation with the social partners;
- liaison between actions designed to increase the employment rate with measures geared to improving the "level of quality of work" (cf. second pillar of the European employment strategy): the latter is based on a wide survey of the quality of work in Flanders, organised by the social partners themselves (via STV Innovatie & Arbeid, integrated in the Sociaal-economische Raad van Vlaanderen);
- an increase in the participation rate of low-and medium-skilled persons in training courses, in particular by enhancing for the benefit of these groups the new system of training cheques for workers: this is directly in line with the Flemish agreement concluded by the social partners in 2003;
- promotion of the proportional participation of persons with a disability in active life: an agreement was concluded between the social partners and the Flemish government at the end of 2003 on the subject of general guidelines for a plan of action targeting this group (cf. agreement on foreigners, end-2002): this was transformed into a concrete plan of action in mid-2004.

5. Better governance

Social partners' involvement of in the NAP employment

a. Contribution to NAP 2004

In the framework of preparation of NAP 2004, the social partners at federal level had the opportunity to submit a contribution drawn up in the National Labour Council which comprises the main measures and initiatives developed in the framework of the European employment strategy.

This contribution was taken into account: passages from this contribution were incorporated in the NAP and the entire text was annexed and sent to the European institutions.

The social partners at regional level also have an opportunity to submit contributions directly.

There were regular contacts with representatives of the Minister of Employment, and members of the National Council had the opportunity to submit their comments on the draft texts.

b. Influence of synchronisation and rationalisation of the broad economic policy guidelines and European employment strategy

The Belgian social partners have underlined in the past the difficulty of synchronising their work, closely linked to the pace of negotiations on cross-sectoral agreements, held every two years, with the European process which produces new employment guidelines and recommendations every year.

Accordingly, the Belgian social partners are satisfied to note the change in the timetable for the European employment strategy, moving from an annual cycle to a three-year cycle. They regard this new medium-term timetable as being more in phase with their current work rhythm and better suited for giving all parties involved the time needed to perform the various measures provided for in the framework of the employment strategy and to be able to evaluate the effects.

Regarding more specifically the broad economic policy guidelines, the Belgian social partners have pointed out on various occasions the need to be more closely involved in the design and follow-up of these guidelines.

BEPGs are an indispensable instrument for pursuit of the Lisbon strategy, in which the social partners are now greatly involved at all levels, and comprise an important aspect devoted to social and employment policies. However, today their preparation and implementation are still characterised by a total opacity and the absence of consultation of the social partners.

The National Labour Council and the Central Economic Council are the source of a number of proposals designed to promote involvement of social partners in the BEPG process in a concrete form, at both European and Belgian level.

When the BEPGs were being realised, the Councils wanted to be informed in good time about government projects which fall within the ambit of these guidelines. Lastly, they asked to be involved in evaluation of the results, which determine the BEPGs for the following year.

National follow-up activities to Employment Task Force report recommendations

The National Labour Council incorporates follow-up of the Task Force's work in the framework of the European employment strategy.

Czech Republic

Organisations:

- Czech-Moravian Confederation of Trade Unions (CMKOS), member of ETUC
- The Confederation of Industry of the Czech Republic (SP CR), member of UNICE

1. Increasing adaptability of workers and enterprises

At national level

Social partners participated in implementation of measures included in employment NAP for 2003, for instance they took part in implementation of revitalisation programmes in North Bohemian and Moravian Silesian regions and programmes for suppressed industries. Measures at national level for 2004 are quoted in the employment NAP 2004-2006. These measures define participation of social partners in such fields as applying some mechanisms of non-standard working scheme (to the extent allowed by valid legal documents) and contribution of social partners to improvement of geographic mobility and transport of workers to their companies.

At sectoral level

The cooperation between social partners at sectoral level is realised within sectoral collective agreements, covering about 35% of workers. These agreements include measures concerning such areas as higher protection for vulnerable groups, financial assistance for redundant workers, strengthening of gender equality, employment of core and "lent" staff.

At regional level

In the Czech Republic regional cooperation between social partners takes place mainly on the basis of regional tripartite bodies. There are at the moment six such regional tripartite institutions established in relevant administrative regions. Here the social partners communicate with local government representatives also on employment issues and judge and monitor implementation of the special revitalisation programmes (for instance in the Moravian Silesian region the team for revitalisation with social partners' participation was established). Representatives of social partners also participate in advisory bodies associated with labour offices.

Example: In Olomouc region a project under the LEONARDO programme aimed at improvement of managers for development of human resources is being prepared. Also submitted was a project focusing on education and training of vulnerable groups on the labour market, in particular of disabled people and mothers after maternity leave. This project also expects to draw on financial resources from the EU structural funds.

At company level

In company collective agreements there are measures such as specification of overtime working conditions or using the possibility to introduce various kinds of flexible working schemes.

2. Making work a real option for all

At national level

The national tripartite body (RHSD) regularly discusses the links between employment, productivity and wage development in order to characterise optimal shares of relevant social groups in social welfare distribution and to ensure that work pays more than social benefits. The social partners agree that the minimum wage institute should exist, although there are different approaches as concerns its future rate.

Social partners are involved in committees which monitor how resources from EU structural funds are used.

At regional level

Regional councils of the CMKOS in South Moravian and South Bohemian regions together with relevant Austrian partners (ÖGB) prepared and implemented or are implementing two cross-border projects. The first of them was oriented on increasing mutual exchange of information in the border regions aimed at minimising or full removal of worries that could emerge after EU enlargement. The second project concerns improving qualification of vulnerable groups in countries neighbouring with older EU members.

At company level

The main part and the main thrust of collective agreements is oriented towards defining levels and parameters for wage development for the next period.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning will be included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

The NAP and collective agreements as well cover initiatives concerning protection of vulnerable groups, for instance of older workers, workers with children, mothers after maternity leave and so on.

5. Better governance

Social partners' involvement in NAP employment

Consultation of social partners by government on draft NAP

Social partners participated in the preparatory phase of the NAP 2004-2006. They were involved in the Committee for managing work on the NAP 2004-2006 and for tackling the unemployment issue established by the Minister of Labour and Social Affairs with the task of preparing, monitoring and evaluating the NAP. The Committee, which continues to pursue its activity, comprises representatives of relevant ministries and social partners. The Committee negotiated the NAP draft, which was then submitted to the regular process for commenting on documents and discussed in the framework of standard tripartite mechanism. Finally it was negotiated at the session of the top tripartite body (Council of Economic and Social Agreement) with the main conclusions:

- support for accepting the NAP
- proposal to appoint of the coordinator for implementation of the NAP
- criticism of the lack of economic strategy
- criticism of insufficient financial resources for the NAP measures
- recommendation for increasing the resources given for active employment measures
- motivation of employers to create new job opportunities should be supported by restructuring of indirect labour costs. Relatively high share of obligatory payments for social insurance in comparison with the low share of other personal costs may act as a hindrance for employment.

SP CR intends to analyse the impact of the current system of indirect costs on companies and correct it in connection with the above.

Then the NAP was approved by government in July 2004.

Impact of social partners' opinion on draft NAP

Some proposals submitted by social partners were included in the NAP. For instance ČMKOS and SP CR opened discussion on:

- increasing of the share of long-term unemployed participating in training programmes
- programmes oriented for increasing young people employment
- discussion on restructuring the non-wage labour costs
- tackling the illegal forms of employment and improvement of the activity of labour inspection
- proposals for financial support of transport of workers
- realisation of investment incentives in regions with high unemployment

ČMKOS called for another increase in minimum wage in order to make work pay more.

Social partners' involvement in drafting parts of NAP

Several parts of the NAP contain the passages co-drafted by social partners and presuming their direct participation via the collective bargaining and tripartite mechanism. These paragraphs focus on problems linked to promoting flexible working scheme, support for lifelong learning and for training schemes provided by employers for workers. They also cover the mobility issue and the problem of employment of older people.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

Social partners realise that BEPG and employment guidelines are unfortunately insufficiently linked. Nevertheless compared with the year 2003 some positive steps have been taken.

National follow-up activities to Employment Task Force report recommendations

CMKOS translated the key parts of the text of the report and distributed it to associated trade unions.

SP CR published a summary of the report in Czech language in its bulletin and informed its branch organisations. Conclusions and recommendations are reflected in delivery of SP's internal strategies.

In line with the one of the recommendations of the Kok's report addressed to the Czech Republic, the NAP includes also notes devoted to the so-called high labour costs. Social partners have not yet reached full agreement on this issue, and therefore creation of a special committee to examine with the topic with their participation was called for. There are also different positions of social partners concerning benefit social systems, although neither side objects to it becoming more efficient.

In the NAP the social partners called for promotion via collective bargaining of all possibilities for atypical work schemes which are legally allowed.

In the NAP the need to formulate a new Labour Code is mentioned.

The other recommendation encouraged the Czech Republic to meet the challenge of ageing and to take measures for increasing the employment rate of older workers. The Czech social partners have been involved in an OECD project examining and reporting on the situation in the Czech Republic. The social partners were also consulted during the process for preparation of "The national strategy for active ageing".

Cyprus

Organisations:

- SEK, member of ETUC
- OEB, member of UNICE and CCCI (Cyprus Chamber of Commerce and Industry), member of UEAPME

1. Increasing adaptability of workers and enterprises

At national level

It should be stated that Cyprus labour relations have a long-standing tradition of tripartite cooperation which normally leads to a constructive social dialogue amongst social partners and to jointly decided conclusions and decisions. In this framework, it should be noted that whatever is said regarding the national level, it also applies both to sectoral as well as to company level on a smaller scale, but following the same philosophy. The regional level does not apply to Cyprus, due to the small size of the country.

It is well understood that our economy and labour market need to become more flexible and attractive in order to be able to increase the adaptability of both workers and enterprises. It is believed that the introduction and implementation of new incentives and motives, as well as the investment in vocational training aimed at reaching better skills and competences, will be supportive towards this end. However, since it is obvious that a weak policy and approach towards flexibility would create more problems than solutions in its implementation, it is agreed that a research study will be undertaken regarding the needs and preconditions for introducing flexibility in the labour market. The results of the study will enable the social partners to engage in a constructive dialogue which will result in a pilot implementation of the proposed changes. The outcomes and experience gained through the pilot project will be re-examined in the framework of the social dialogue, in order to reach the appropriate conclusions for the design and implementation of a solid national policy.

At sectoral level

Ibid

At regional level

Not applicable

At company level

As at national and sectoral level.

2. Making work a real option for all

At national level

Making work a real option for all is seen as a stake to be won by all social partners within the framework of their cooperation. Having stated that, it should be stressed that quantity should be accompanied by quality at work in terms of working conditions, terms of employment, health and safety and access to vocational training. Special emphasis should be given to diversifying, modernising and further developing the service and retail-trade sectors.

Moreover, there is a will to promote employment amongst the inactive female labour force, by implementing measures to be supportive towards this goal, such as for example the improvement of childcare facilities. Furthermore, promotion of vocational training and retraining becomes central in creating the necessary prerequisites and conditions for making work a real option for all. At the same time, disabled people and foreign workers (non-EU and EU citizens) need to enjoy their rights and opportunities for employment.

Finally, part-time employment should be seen as another option to be developed and utilised in such a way that it will not be considered as an inferior or discriminative way of employment. Full implementation of the legislation on part-time employment and respect of the existing collective agreements should be seen as ways of promoting part-time employment in a qualitative way.

At sectoral level

Ibid

At regional level

Not applicable

At company level

As at national and sectoral level.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

- Study of labour market needs undertaken by the Cyprus Human Resource Development Authority which is a tripartite institution (social partners are involved in the policy decision-making).
- Design of training in relation to and taking into consideration labour-market needs.

- Promotion of Turkish Cypriots' employment in the free areas of the Republic, in such a way that they will be enjoying full employment rights in order to avoid the creation of two tiers of employees.
- Attempts for the adjustment of foreign labour force to the needs of the local labour market.
- Specified vocational training of high school and technical school graduates.
- Proposal for upgrading apprenticeship certificates in order to be recognised for employment in the wider public sector.
- Discussion within the framework of social dialogue regarding the increase of productivity and competitiveness, as well as the implementation of new forms and ways of employment.
- Promotion of policies, raising awareness and spreading information through seminars and public speeches, inviting experts from the European Union, the ETUC, UNICE and UEAPME.

5. Better governance

Social partners' involvement in the NAP employment

Consultation of social partners by government on draft NAP

In the framework of the recently established National Employment Committee in which all social partners participate and express their views and suggestions, the NAP was drafted taking into consideration the views and proposals of the social partners.

Impact of social partners' opinion on draft NAP

Ibid

Social partners' involvement in drafting parts of NAP

Adding to what has already been written, we have to clarify that social partners involved were asked by the government to submit their comments on the first as well as on the final draft of the NAP, which were prepared as a result of the discussion and exchange of ideas amongst the partners.

Synchronisation of the BEPGs and the EES: the impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

As it has already been explained at the beginning, Cyprus has a long-standing tradition of tripartism. Therefore, any European achievement has a supportive rather than a decisive role to play in the whole established process. Furthermore, we need to add that, in terms of economic policy, social partners do participate at the Economic Advisory Committee.

National follow-up activities to Employment Task Force report recommendations

The recommendations made by the Employment Task Force Report regarding Cyprus have been seriously taken into consideration especially regarding the design of the National Action Plan. Therefore, having examined the findings and recommendations of the ETFR, these have been included in the NAP and the related activities and initiatives have been described already.

Denmark

Organisations

- Trade unions: LO (Danish Confederation of Trade Unions), FTF (Salaried Employees' and Civil Servants' Confederation), AC (Danish Confederation of Professional Associations), Danish Central Federation of State Employees' Organisations (CFU), members of ETUC and Ledernes Hovedorganisation (The Danish Association of Managers and Executives), member of CEC
- Employers: DA (Confederation of Danish employers), member of UNICE; KL (Local government Denmark), Amtsrådsforeningen (Committee of Danish Regions), and Personalestyrelsen (State Employer's Authority), members of CEEP

Introduction

The Social Partners in Denmark have in many years participated in the drafting of yearly Danish NAPs reports. Last year the Social Partners drew attention to the need to be involved in the future initiatives on the employment areas taken by the Government. This has improved to some degree with the involvement of the Council of employment (Beskæftigelsesrådet) where most of the Social Partners are represented.

1. Increasing adaptability of workers and enterprises

State Sector

- Simplification and modernisation of collective agreements

In view of the collective bargaining in 2005 the social partners have been analysing the possibilities for modernisation and simplification of collective agreements, including rules concerning working time.

- Working environment

The social partners have worked out a "digital tool for working environment screening". The tool will be available for state institutions as part of the implementation of the new working environment reform, which comes into force 1 January 2005.

Private Sector

The Danish social partners have taken a number of initiatives to contribute to reaching the objectives of the employment strategy. As of 1 March 2004, decentralised agreements on the renewal of collective agreements for a three-year period were concluded in the field of LO/DA on the private labour market.

In connection with the renewal of collective agreements in the spring of 2004, the development in the direction of increased possibilities for flexible work organisation was continued.

It is thus a characteristic feature of the concluded collective agreements that an increased opportunity was created for the local partners, which are typically the workplace representative and the management of the enterprises, to agree to derogate from the rules laid down by the organisation on the day-to-day duration and configuration of working time.

If there is an agreement on the enterprise concerning work organisation such an agreement no longer has to be approved by the organisations. It is possible now to agree to other rules than those laid down in the collective agreement. An example hereof could be to agree on a four-day work week with longer working hours on each of the four work days.

Regional and local public sector

The social partners play a significant role in employment policy by participating in committees and working out education and labour market policies both at national, regional, and local level. In addition, the social partners participate in social dialogue at European level by membership of CEEP, ETUC and EPSU. That is, the social partners at local and regional level are directly involved in setting out the guidelines for employment and for their implementation.

The social partners support the national employment policy by having agreed on the overall collective agreement between management and labour made in 2002 for a three-year period. Agreements on development of competence, ageing workforce, working time, etc., constitute an essential basis for ensuring that workplaces and employees are able to meet the demands for change which characterise working life in the public sector.

In the public sector, a lack of qualified manpower in coming years is foreseen, especially in the education, social and health areas. As a consequence, the partners focus on adjusting the labour market at local and regional level for highest possible flexibility and mobility.

In order to increase adaptability and meet manpower shortages, a new teachers' education for the unemployed has been established.

In the health area, focus is on ensuring flexible working time and recruitment and retention, and how the various framework agreements can be employed.

In addition, employees at each workplace now have the possibility to develop their competences through a 2002 framework agreement. This is fully described in the third follow-up report on the framework of actions for the lifelong development of competences and qualifications.

2. Making work a real option for all

At national level

In December 2004 the government launched a new strategy for promoting employability of persons with disabilities (physical, mental or social). The overall goal is to increase the number of persons with a disability on the labour market and the share of companies and institutions which employ persons with disabilities. Besides information and concrete support to persons with disabilities, this calls for the social partners and their local representatives to contribute to breaking down barriers against employing persons with a disability in workplaces.

State sector

The inclusive labour market (social chapter in the state sector)

The social partners follow closely the development of the state institutions' social responsibility. Statistics from 1st quarter 2004 show that the trend of increasing the share of employees under the inclusive labour market continues (3.6% of the state sector workforce). During 2004, the social partners have jointly continued to support work on social inclusion and responsibility at local level through different means - by holding a seminar, producing a joint guide and a booklet for work councils.

Integration of immigrants

During 2004 the State Employer's Authority has continued to promote the integration of ethnic minorities in the state institutions by launching different initiatives. The aim is to fulfil the goal that immigrants or descendants of immigrants from other countries should amount to 3.5% of the state sector workforce.

Private sector

With a view to sharing best practices from workplaces, LO and DA are carrying out an analysis of the practice and experiences of ten workplaces and a cross-sector analysis of the ten cases. The cross-sector analysis and the ten cases will be published in a short report and a web-based collection of examples. The aim is to uncover possibilities for and barriers to employment of older employees in the workplace.

The Organisation of Managerial and Executive Staff has been granted funds from the European Social Fund for the purpose of a larger project for older managers who have been dismissed but are not yet entitled to unemployment benefits. The project aims to give older unemployed managers a greater market value and to help them look for the right job in the right way. The aim is to ensure that 70% of the managers in question get into employment before they become entitled to unemployment benefits.

In order to strengthen the integration measures, LO, DA and KL have co-operated in three regions on a joint development project from May 2003 to May 2006, which is supported by the Ministry of Integration (Project Enterprise-targeted Integration).

The Danish Confederation of Employer's Associations in Agriculture (SALA) and the joint committee on increased employment of the Danish Confederation of Trade Unions (LO) are in a dialogue with the Ministry of Refugees, Immigrants and Integration and the Ministry of Employment on the launching of a project called "Diversity at the workplace (SALA-LO)"- a project aimed at creating better possibilities for the integration of refugees and immigrants within the field of dairying and agriculture.

Integration of immigrants

A survey made by Organisation of Managerial and Executive Staff shows that since 2002 there has been an increase in the share of enterprises employing people of other ethnic background than Danish. Today, 34% of all enterprises employ people with a different ethnic background. This corresponds to about 43,000 enterprises, which compared with 2002 was only 28% of the enterprises corresponding to about 35,000 enterprises. This means that today nearly 8,000 more enterprises employ immigrants.

Regional and local public sector

In 2002 the partners agreed on a number of changes in the framework agreement of the so-called "Social Chapter" framework agreement which purpose is to support the employment of people with reduced work capacity and unemployed in training-on-the-job at local and regional workplaces. For instance the partners have agreed on information activities in order to raise knowledge of the agreement and inspire management and labour to employ the agreement.

An inquiry at regional level shows that 3 pct of the employees in 2002 were employed within the conditions of the framework agreement. In 2003 a project between management and labour at local level with the purpose of obtaining practical experience with how the framework agreement can be included in HRM at local level was finished. A total of five conferences have been held and information sent to the target groups.

In addition, a project has been carried out in four municipalities with the aim of developing new methods and ways of cooperating which help keeping unfit insured employees on the labour market.

Finally, focus has been on developing a tool for recruitment and retention of ethnic minorities at local level. The tool has been tested at eight workplaces in municipalities. Furthermore, catalogues at both regional and local level have been made presenting ideas and experiences about ethnic diversity and equal opportunities.

3. Investing in human capital

The social partners' initiatives are described in the third follow-up report on framework of actions for the lifelong development of competences and qualifications.

4. Other initiatives

State sector

Retention and development of senior employees

During 2004 the social partners have launched different initiatives aiming at the retention and development of senior employees in the state sector. An analysis of the use of retention tools at state workplaces, a revision of the senior policy and an initiation of a special project for development of senior employees' competences.

Private Sector

DA and LO have as part of the renewal of collective agreements in 2004 agreed that a scheme to offset the collective expenses for maternity leave of the enterprises should be set up so that the expenses do not rest on the individual employer (maternity leave offset). The purpose of the scheme is to support a labour market with equal opportunities for women and men and the scheme comprises enterprises under DA and is obligatory for employees covered by collective agreement.

The rules on pay during maternity/paternity leave have been improved. The rules have been expanded with access to pay during absence due to maternity from four weeks prior to the expected time of birth. Furthermore, the present 14 weeks maternity leave has been extended by six weeks and either the father or the mother may take this period.

Regional and local public sector

The Social Partners have developed the forum for employment policy. In 2004 it arranged a fair for employment policies. The number of visitors at the fair was more than 5,500. The topics were very much in line with the guidelines for employment.

5. . Better governance

Social partners' involvement in the NAP employment

In 2004, the Government invited the Danish social partners to contribute to the NAP Employment Report early in the drafting process.

The social partners were invited in particular to contribute to the description of activities etc. which have been carried out in order to implement specific employment guidelines. They also had the opportunity to address the issue of partnership in connection with the implementation of the employment guidelines.

The social partners' joint contributions - covering the state sector, the local/regional public sector and the private sector respectively – are in full included in the NAP Employment report as annexes.

A first version of the draft NAP was submitted to the social partners for consultation. Later in the process they were also consulted through the "Special EC Committee concerning the labour market and social affairs".

Synchronisation of the BEPG and the EES has not been a specific theme as such for the social partners in the process, but where relevant the issue may have influenced their preparatory work.

National follow-up activities to Employment Task Force report recommendations

Denmark already has employment rates well above the Lisbon targets. The Wim Kok report therefore redefines the task for Denmark to be a question of how to ensure adequate labour supply in the longer term. The Kok recommendations consist of different types of proposals. Some in favour of increasing employment and some in favour of ensuring labour supply.

But Denmark still has 170,000 people unemployed according to ILO definitions. And unemployment rates have increased since 2001 when the Government took office.

The proposal for better integration of immigrants and the proposal for increases in training seem to be the most relevant. All the Social Partners can subscribe to these proposals.

Estonia

Organisations:

- EAKL (Confederation of Estonian Trade Unions), Member of ETUC
- ETTK (Estonian Employers' Confederation), Member of UNICE

1. Increasing adaptability of workers and enterprises

The EAKL submitted to the government the following proposals: to increase the funding of active employment measures in order to provide broader access to labour market training for the unemployed to set up the mechanism for funding of in-service training and retraining of the employed workforce.

The EAKL promoted an idea to establish special social insurance scheme for industrial accidents and professional diseases that would provide professional rehabilitation and thus support the re-entry to the labour market for partly disabled workers.

Estonian Employers' Confederation supports the position of the European employers' organisation UNICE that flexible working time will play an important role in making Europe more competitive.

2. Making work a real option for all

The main focus of the EU Policy of the Estonian Government 2004-2006 is application of the principle of involving the citizens, whereas the involvement of social partners has not been treated at all.

The Estonian Employers' Confederation is in the position that, for example, the formation of an active and flexible social and labour market policy without involving the social partners is unthinkable from the perspective of the principles applied in the EU. Also, in order to achieve an increase in the employment rate and establish flexible labour relations measures ought above all to be applied for favouring entrepreneurship, rather than seeking help from concluding collective agreements. Unfortunately, promoting entrepreneurship has not been addressed.

No references quote to how Estonia will start working out its positions and points of view. It would be necessary that the involvement of social partners in policy formation process should be clearly agreed.

In December 2004 the social partners – ETTK and EAKL – signed a national minimum wage agreement for 2005.

The social partners are promoting collective bargaining at sectoral and enterprise level.

The Estonian Employers' Confederation supports the adoption of the Involvement of Employees Act, according to which the employee representation forms – the trade union and the general meeting of employees – are given equal consideration.

The standpoint of the Estonian Employers' Confederation is that the employee representation form – the trade union – cannot be a basis for preference. Members of labour councils and other employee representation bodies should be elected by the members of the biggest employee representation body in an enterprise. If the general meeting of employees represents more employees than the trade union, a representation body should be elected at the general meeting of employees.

According to the proposal, from the beginning from the next year the unemployment insurance premium of the employee must be 0.7% of salary instead of the previous 1%, and of the employer 0.35% instead of the previous 0.5 %. The proposal to decrease the unemployment insurance premium was made by the Confederation of the Estonian Trade Unions and the Estonian Employers' Confederation, as the revenues from this premium have been bigger than the unemployment insurance benefits paid from the Unemployment Insurance Fund, as a result of which a sufficient reserve has been built up.

3. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

Both ETTK and EAKL were involved in the preparation of the pilot project for active employment measures aimed on prevention of collective redundancies in the cases of restructuring of enterprises.

The representatives of social partners are participating in tripartite employment councils (consultative bodies) – both in national and regional levels.

5. Better governance

Consultation of social partners by government on the draft NAP

The government consulted social partners.

Impact of social partners' opinion on draft NAP

No impact.

Social partners' involvement in drafting parts of NAP

Social partners were not involved in drafting parts of NAP.

Synchronisation of the BEPGs and the EES: the impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

No impact.

National follow-up activities to Employment Task Force report recommendations

No information from the government.

Finland

Organisations

- Trade unions: SAK (Central organisation of finish trade unions), STTK (Confederation of Salaried and Technical Employee Organisations) and AKAVA (Confederation of Unions for Academic Professionals), members of ETUC
- Employers: EK (Confederation of Finnish Industries), member of UNICE

1. Increasing adaptability of workers and enterprises

At sectoral level

The government project "Finland in the Global Economy" involved social partners in extensive sector-specific dialogue to discuss how Finnish' companies competitiveness can be maintained and improved. 23 sectors had their own dialogue process. Reports were published in October, 2004. Employers and employees discussed how to ensure the development of the competence in industry. It was the first time such discussions have been held systematically and simultaneously in so many sectors.

The content of the reports varied from sector to sector. However, the social partners agreed on ways in which the education system should be improved. Because of the ageing of the labour force in many sectors the main issue was also how to avoid labour shortages and have a well-educated labour force also in the future.

Many sectors expressed their satisfaction with the process and such dialogue is likely to continue.

2. Making work a real option for all

At national level

Finland's incomes policy settlement for the years 2005-2007 was signed on 16 December 2004. An extensive incomes policy agreement has been concluded in order to support positive economic and employment development by reinforcing the stability and predictability of the economy. Government supports this goal through tax reductions and measures to boost employment.

The settlement includes a significant enhancement in the security of workers threatened with unemployment due to corporate restructuring. In the co-determination negotiations that precede such dismissals the employer will agree with workforce representatives on a plan to promote re-employment of dismissed employees during the period of notice.

Any employee who is dismissed for reasons of finance or production and has been working for at least three years will have the option of embarking on an individual employment programme. This right will also cover any temporary employees who have been working for the same employer for a total of not less than three years, either in a single stretch of employment or in several shorter, but successive periods of work separated only by brief intervals.

A programme of employment prepared by the local employment authorities will investigate the employee's job prospects and support active job-seeking and vocational skills development. Depending on the length of the paid period of notice, the employee will be entitled to use between 5 and 20 days of this period for measures under this programme.

After the employment ends an employee who participates in the employment programme will be entitled, in addition to unemployment benefit, to a higher rate of retraining allowance lasting for 185 days. Dismissed employees who do not take part in measures arranged under the employment programme but who are actively seeking work will be entitled to this allowance for 20 days.

For a worker earning € 2,000 a month, this increased retraining allowance will be € 13 per day or a total of € 280 per month. The employers will finance the increased retraining allowance

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

The income policy agreements for 2003-2004 and 2005-2007 include several measures that support the employment policy guidelines. These include measures related to health and safety, well-being at work, occupational skills and competence, working hours, gender equality, and the reconciliation of work and family life. The social partners have committed themselves to a continuous negotiation process.

5. Better governance

Social partners' involvement in NAP employment

Consultation of social partners' by government on draft NAP

Ministry of Labour appointed a fixed-term NAP division to participate in the NAP preparation process. The team of ministry representatives drafted the first version and the division had two meetings before the Committee on Labour Policy accepted the NAP. There are representatives of the social partners, other key organisations and ministries in the Committee on Labour Policy.

Impact of social partners' opinion on draft NAP

Social partners could express their views in the NAP division. If there was agreement between social partners about the changes needed, they were taken into account. The ability to make major changes was limited because it was based on the government programme. The social partners are only marginally and unofficially involved in the political negotiations in which the government's most important strategic and budgetary programmes are drafted.

Social partners' involvement in drafting parts of NAP

Social partners were not involved in drafting parts of the NAP.

National follow-up activities to Employment Task Force report recommendations

There are a variety of policy initiatives on-going to increase employment. The one that has probably received the most attention is the decision to make a part of employer payroll contributions progressive. This was also recommended by the Kok taskforce ("Further reduce non-wage labour costs for the low-paid"). The precise model for how to execute this has not been decided yet. The social partners have been involved in the debate about this policy measure.

France

Organisations

- Trade unions: CFDT (French democratic confederation of work), CGT - FO (General confederation of work-Workers' force), CFTC (Confederation of Christian trade unions), CFE-CGC (Confédération Française de l'Encadrement – Confédération Générale des cadres), members of ETUC
- Employers: MEDEF (Federation of enterprises of France), member of UNICE; CGPME (confederation of SMEs) and UPA (Union of craft), members of UEAPME

The information set out below has been wholly or partly approved by all these organisations. The items correspond to the exact wording of the chapter headings which constitute the architecture of the November 2003 Wim Kok report. In line with the joint letter of the European social partners dated 2 November 2004, these themes must provide the framework for analysis of the contribution made by national social partners to the strategy described in the Kok report.

1. Increasing adaptability of workers and enterprises

With specific regard to the French recommendations in the Kok report, the social partners do not have direct powers, whether it be to finance young businesses, strengthen the links between research or universities and companies or, obviously, simplification of the administrative and regulatory environment in order to promote development of SMEs.

However, tripartite discussions are held between government and social partners, in the form of either roundtables or consultations.

These have related to:

- means of mitigating recruitment difficulties,
- modernisation of retirement pensions (law of 21 August 2004),
- reform of collective bargaining (law of 4 May 2004) further to adoption of the joint position of the three employer and four trade union organisations,
- reform and simplification of the labour code,
- combating illegal work.

The social partners were also consulted on transposition into law of the 5 December 2003 agreement on lifelong training signed by all the social partners – which forms part of the follow-up to the European framework of actions for lifelong development of skills and competences.

In addition, in 2004, the following actions were carried out by the social partners, in response to the general recommendations in the Kok report under the heading "Increasing adaptability".

The plan for assistance with return to employment (Plan d'aide au retour à l'emploi-PARE) put in place in the framework of the June 2001 unemployment insurance agreement was the object of a tripartite agreement involving the State / UNEDIC / ANPE, and in this framework *Association pour l'emploi des cadres* (APEC – association for executive employment) carried out various actions to flank professional mobility and return to employment. Lastly, *Association nationale de gestion du fonds pour l'insertion professionnelle des handicapés* (AGEFIPH – national association for management of the fund for employment of disabled persons) financed several actions linked to return to employment of disabled persons carried out by CAP Emploi.

The number of PARE signed in the years 2001, 2002 and 2004 (January - July) is 7,300,000.

During this period, UNEDIC committed:

- € 633 million for training assistance
 - € 50 million for geographical mobility assistance
 - € 272 million for tapering assistance to employers.
- Negotiations on restructuring continued until June 2004 without an agreement being reached. Consequently, the government has initiated a legislative reform of the texts on economic redundancies.
In 2004 the social partners decided to open discussions on implementation of the European agreement on teleworking. These will start in 2005.
By facilitating the organisation of work and clarifying the principles defined at European level, these negotiations can also contribute to adaptability.

2. Making work a real option for all

On 1 March 2004 the social partners signed a cross-sectoral national agreement on equality at work. This text seeks to encourage actions in sectors or companies with a view to closing gaps in the situation between men and women, from the angle of culture, education and training, recruitment, career progression and pay.

In addition, an effort combining public action and the role of the social partners was developed in 2004 to address ageing. Given demographic pressure, whose effect will be felt on the labour market in France in a few years' time, and in order to respond to the concerns repeatedly expressed on the European stage, ideas on the employment of older workers are being fleshed out. Negotiations on difficult work situations and employment of older workers are programmed for 2005. Sectors are already involved in negotiations designed to reform their arrangements for early retirement.

3. Investment in human capital

In line with the scheme decided by the European social partners, this third element of the Kok group's recommendations will be dealt with in the 2004 follow-up report on the framework of actions for skills and training.

4. Better governance

Social partners' involvement in NAP employment

Consultation of social partners' by government on draft NAP

Just like other years, several meetings were held in the Social Dialogue Committee for European and International Issues (CDSEI), as well as in the competent national fora. Input from the social partners was incorporated in boxes in the text of the NAP Employment that the government submitted to the Committee. These boxes contain social-partner positions which define the actions they have taken to realise European objectives and formulate reform proposals for meeting these objectives more fully.

Impact of social partners' opinion on draft NAP

The government did not want to rework its text to incorporate all of the social partners' proposals but incorporated them in the text in a way which identified those made by each organisation.

Social partners' involvement in drafting parts of NAP

No involvement.

Synchronisation of the BEPGs and the EES: the impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

This synchronisation did not change the nature of social-partner involvement. Regarding BEPGs, these are not the subject of formal consultation of the social partners, nor indeed do they form part of budget preparation in France as such. Hence, it is not possible to talk about any involvement of the social partners in this context.

National follow-up activities to Employment Task Force report recommendations

Several CDSEI meetings referred directly or indirectly to the conclusions of the Kok report. Mr Wim Kok himself, accompanied by European Commissioner Anna Diamantopoulou, took part in a debate with members of CDSEI in Paris on 22 January 2004. However, the government did not give any particular follow-up to Wim Kok's conclusions, either from the administrative angle or in concertation with the social partners. Neither did the latter show any wish for particular follow-up of the conclusions of the Kok report. A meeting of CDSEI is scheduled for February 2005 in order to follow up the European debate on this report's conclusions at national level.

Germany

Organisations

- Employers: BDA (Confederation of German employers' federations), member of UNICE; ZDH (Central federation of German craft), member of UEAPME
- Trade unions: DGB (Confederation of German Trade Unions), member of ETUC

A. Increasing adaptability of workers and enterprises

The examples of collective agreements included in this section can be classified under areas of both "increasing adaptability of workers and enterprises" "making work a real option for all". They are described here for reasons of practical convenience.

At national level

Employers' project

In its campaign "**BDA-pro-job.de**" BDA highlights several topics which – from the employers' perspective – are essential for promoting the development of a modern labour market constitution aimed at fostering areas such as adaptability or entrepreneurship. In 2004, BDA mainly focused on the topic of reducing red tape. Excessive red tape in all areas is a burden for companies, especially medium-sized businesses. Besides abolishing current bureaucratic regulation it is also of special importance to use methods which prevent the emergence of new red tape.

At sectoral level

Joint social partner projects

Examples from collective agreements

At the end of 2004 there were 61,772 valid collective agreements in Germany. Inasmuch, the examples described here represent only an extract.

1. Flexible working time to secure and promote employment

1.1. In May 2003 the German Chemical Industry Employers' Federation (BAVC) and the union representing Germany's chemical workers, IG BCE, concluded a new sectoral collective agreement covering some 580,000 workers. Part of that agreement relates to working time. Workers in the chemical industry already have individual working time accounts. Before the new agreement was concluded, workers had been able to accumulate and use working time over a one-year period. The agreement now allows the balance on such accounts to be used over a longer period, provided that this arrangement is underpinned by a local agreement. Workers will also be able to use accumulated working time for training purposes. Among other things, overtime and bonus payments can also be paid into these

accounts. The agreement allows for work on Saturdays and even on Sundays in companies operating a shift system. The parties also agreed on specific provisions relating to skill levels which come into force on 1 January 2004. These provisions constitute a framework within which continuing vocational training measures can be agreed at local level. The costs of training within this framework are shared fairly between the employer and the worker.

1.2. Collective agreements concluded in 2004 make it clear that flexible working time models are increasingly agreed by the collective bargaining partners to the extent that there appears to be a practical necessity for such flexibility..

For instance, the collective agreement covering the metal and electrical industry provides that companies with a particularly high proportion of highly qualified personnel – e.g. research centres – up to 50% of staff, previously 18%, can now work 40 hours a week with full retention of pay. Increasing the job quota above 18 % must not lead to job cuts.

The converse option has also been applied. In 2004 Deutsche Telekom AG concluded a collective agreement on shorter working hours in order to secure jobs. This entails a reduction of working time from 38 to 34 hours a week, with remuneration still based on a 35.5-hour week. In addition, a temporary working time reduction to 32 hours is possible, which has to be agreed at sectoral level. At the same time, it has been agreed that there will be no operations-related dismissals until 31 December 2008.

The first ever collective agreements on temporary work concluded by DGB - in a collective bargaining association with the trade unions - took effect on 1 January 2004. Together with the Federal Association for Temporary Employment Agencies (BZA), a flexible working time account with an overtime limit of 200 hours was negotiated to compensate for monthly fluctuations. From the 150th hour of overtime upwards, the temporary work business is obliged to protect the working time account against insolvency. The working time account may be extended to up to 230 hours if this is in the interest of securing jobs. However, in this scenario, the period during which time credits on working time accounts have to be used up must be clearly defined and limited. There are also plans to regulate withdrawals of money or free time from working time accounts.

2. Promotion of training

In spring 2004 collective bargaining partners in the chemicals industry agreed that the number of training places would increase by 1.7% as compared with 2003 and that there would be a further 2% increase in 2005. After further steps in 2006 and 2007, there should then be a total of 7% more training places as compared with 2003. At regional level, this collective agreement was also adopted by the plastics processing industry. In the steel industry, the offer of training places was increased by 50 places for each of the years 2004 and 2005. In return, training compensation is frozen. Private and public banks are increasing the offer in 2004 and 2005 by a total of 3% on the basis of the number of newly recruited trainees in 2003 %.

3. Training/qualification

In a 1997 collective agreement covering the textile and clothing industry, which was extended in October 2004, measures will be put in place to promote education and training of up to one week a year. Qualification measures will be paid for via a training contribution which the employer pays per employee and per year.

In the chemicals industry a collective agreement on qualification came into force on 1 January 2004 which provides that collective bargaining partners will build up a guidance service offer incorporating a continuing training foundation. The collective agreement provides the framework for further provisions to be agreed in voluntary agreements at company level. Qualification within the meaning of the collective agreement is defined as all work-related and individual vocational retraining and continuing training measures. When training is being planned, consideration must be given to the needs of older workers, staff working rotating shifts, and workers who are taking or have just returned from parental leave. . The proportion of costs covered by the employer and the "appropriate" personal contribution paid by the workers – generally in the form of working time – are to be set out in an agreement on training.

Since 2001, the 820,000 metalworkers employed in Baden-Württemberg have also been entitled to co-determination with regard to continuing training, in the form of regular talks with the respective employer about workers' training requirements and desires. Preferably, these talks should take place once a year. Workers are to be released from work for training measures that are deemed necessary, with their employers absorbing the costs involved.

4. Opening clauses in order to secure and create jobs

Many recent collective agreements permit deviations from collectively agreed provisions when the aim is to improve competitiveness and innovative capacity, to secure jobs, to prevent economic difficulties or insolvency or, especially in the case of small and medium-sized enterprises, in the case of hardship clauses generally agreed between the collective bargaining partners. Such opening or hardship clauses include scenarios such as longer working hours with or without compensatory pay, skipping or postponing wage increases, reducing collectively agreed basic pay, annual bonuses and holiday pay or lower starting salaries for the long-term unemployed. According to a study carried out by the Institute for Economics and Social Science (WSI) of the Hans-Böckler Foundation (HBS), opening clauses like these exist in over 80 branches of industry and bargaining sectors, covering some 15 million workers.

The collective agreement concluded for the metal and electronics industry in 2004 included a clause entitling companies to deviate temporarily from collectively agreed minimum standards following a joint assessment of the situation by the respective parties at company level and a supplementary collective agreement, if necessary, provided that jobs could be secured in the long term as a result (e.g. cuts in bonuses, deferral of benefits, longer or shorter working hours with or without full compensatory pay). The precondition for this is that workforce representatives or respective bargaining parties must be fully informed, i.e. given documentation detailing the company's economic and social situation. Large concerns such as

Siemens and DaimlerChrysler were among the first to make use of this collective agreement, thereby at the same time securing jobs in Germany.

At regional level

Employers' project

The Employers' Federation of Hessen (Vereinigung Hessischer Unternehmerverbände) together with regional partners initiated a project called "LOG IN – Dialogue creates integration" aimed at supporting employment of disabled workers. The project consists of a network of companies and services providing information, advice and practical support for other companies on all questions regarding personnel development related to the employment and recruitment of people with disabilities.

At company level

Employers' project

On the initiative of the Employers' Federation Rheinland-Pfalz (Landesvereinigung Unternehmerverbände Rheinland-Pfalz) an "Employers' Forum for disabled workers and customers" (Unternehmensforum für schwerbehinderte Mitarbeiter und Kunden) has been created. The Employers' Forum is a network of companies of different size and branches aimed to provide information, advice and support for each other as well as further companies regarding products, services and work places for people with disabilities. The forum organises and coordinates the exchange of experiences and information between companies concerning these matters. The members of the forum jointly develop strategies and guidelines to promote the integration and participation of disabled people in the labour market.

B. Making work a real option for all

At national level

Employers' project

The Confederation of German Employers' Associations (BDA) together with the Bertelsmann Foundation as well as their partners from Ireland, the Irish Business and Employers' Confederation (IBEC), from Denmark, the Danish Employers' Confederation (DA), and from the Netherlands the General Employers' Association Netherlands (AWVN), initiated the EU- project "proage - Facing the challenge of demographic change". The project aims to promote mutual understanding and exchanges of experience in the field of employment and labour market policy as regards older workers. As an awareness-raising-campaign the project intends to sensitise all relevant actors, i.e. labour administration at national level, enterprises and older workers themselves, to the need to promote active ageing, to keep older workers in active life for longer and to improve their employability in keeping with the need for skilled and qualified workers on the regular labour market. Within three trans-national benchmarking seminars the project partners jointly developed strategies for improving the employment situation for older workers and devising methods of skills management for older workers in consultation with policy-makers, social partners, business representatives and academic experts. The final seminar

was held in autumn 2003. In 2004 BDA concentrated on disseminating the results of this project among companies and politicians.

Trade union projects

1. DGB infrastructure for providing advice on employee transfers

The Confederation of German Trade Unions (DGB) and its affiliates have set up a consultative infrastructure on employee transfers for companies experiencing economic difficulties. This infrastructure includes not only the offer of direct advice to companies, in particular workforce representatives, but also a set of DGB guidelines for works councils. The increased use of so-called 'social transfer plans' by the social partners in the chemicals industry and IG Metall's diverse involvement in founding job creation and training companies show just how important this instrument is for securing jobs. The idea of effecting transfers via rescue companies is also playing a role in the latest crisis at Opel.

2. DGB action programme on equal opportunities at work

With the action programme on equal opportunities at work (*Chancengleichheit im Betrieb*) launched in 2003, the DGB and its affiliates are aiming to do their bit to improve the situation regarding equal opportunities for women and support the establishment of networks between workforce representatives. DGB has published a handbook for works councils on equal opportunities, focusing mainly on bearing equal opportunities in mind when efforts are made to secure jobs in the context of company restructuring. The main priorities in 2004 were training for workforce representatives, on the one hand, and company policy and regional employment policy measures for women, on the other. Since 2004, DGB has been implementing a project designed to advise SMEs on how to reconcile work and family life more effectively.

3. DGB project on demographic change and pro-age work organisation

DGB has been running the demographic change and pro-age work organisation project *Demografischer Wandel und altersgerechte Arbeitsgestaltung* since 2003. The aims here are to make people more keenly aware of the consequences of demographic change, to back new human resources policy strategies that go beyond early retirement schemes, and come up with proposals for a form of pro-age work organisation. The project sets out to provide support for staff representatives, especially works councils and staff councils. A guide in German entitled *50 Plus - Was Nun?* (Over 50 – What Now?) highlights ways of finding or securing jobs for older workers. In addition, a manual entitled *Umdenken erforderlich - Vorbeugung sichert Beschäftigung bis zum Rentenalter* (Need for a Rethink – Prevention Secures Jobs Until Retirement) contains some good practical examples for works councils and staff representatives at company level. DGB's proposals for pro-age work organisation are summed up in the brochure entitled *Demografischer Wandel - Schritte zu einer altersgerechten Arbeitswelt* (Demographic Change – Steps Towards a Pro-Age World of Work).

Joint social partner projects

1. On 15 September 2004 the federal minister Renate Schmidt launched the initiative "**Success Factor Family 2005**" (Erfolgsfaktor Familie 2005). BDA and DGB are partners in this initiative. This project aims at publishing best practices of companies which conduct a family-friendly personnel policy. Companies can apply for an award of € 10,000. A jury consisting of representatives from business, trade unions, media and science will take a decision in the categories "small-sized company", "medium-sized company" and "large-sized company".
2. By initiating the conference "**TOWARDS Power - Women in Decision-making Positions in the Economic Sector**" the Federal Minister for Family Affairs, Senior Citizens, Women and Youth, BDA, DGB together with other EU partner countries focused the attention of the general public and decision-makers on women in decision-making positions. The main emphasis at the conference which took place in June 2004 was an exchange of experience on the European level between representatives of companies, business associations, trade unions, science and politics and on the presentation of successful examples from best practice.
3. The Confederation of German Employers' Associations (BDA) and the Federation of German Trade Unions (DGB) are members of the **Advisory Council „Consequences of the Reorganisation of Parental Leave**" in accordance with §§15 and 16 BErzGG(„Auswirkungen der Neuregelungen der Elternzeit gemäß §§ 15 und 16 BErzGG" Bundeserziehungsgeldgesetz), which was created by the Federal Ministry for Family Affairs, the Elderly, Women and Youth (BMFSFJ). A representative survey using questionnaires will be conducted in Germany in order to gain an overview of the level of parents` knowledge concerning their rights and duties contained within the „Bundeserziehungsgeldgesetzes".

At sectoral level

Employers' project

In order to raise the **employment of older workers** the VDMA (German Engineering Federation) the ZVEI (German Electrical and Electronic Manufacturers' Association) and the ZVSHK (German Confederation Sanitary, Heating, Climate) participated in a first initiative on a project aimed at coping with the demographic development. The project promoted concepts which – especially in SMEs - deal with preventing or mastering the demographic shift that is progressively altering the make-up of European society and the functioning of the EU economy. Within this framework, more than 70 enterprises were offered expert advised to help them develop human resources strategies and instruments which help to cope with a situation characterised by a shrinking, ageing workforce. It is intended to continue this initiative.

Joint social partner project

The Federal Ministry for Education and Research (BMBF), the Federal Ministry for Family Affairs, the Elderly, Women and Youth (BMFSFJ), the Confederation of German Employers' Associations (BDA), the Federation of German Trade Unions (DGB), the Initiative D21, the Federal Employment Office (BA), the Association of German Chambers of Industry and Commerce (DIHK), the Federation of German

Industries (BDI), the German Confederation of Skilled Crafts and Small Business (ZDH) invite once a year technical enterprises, enterprises with technical departments and technical training facilities, universities and research centres to organise an **open day for girls**. Through a variety of events young women are able to gain an insight into working life and get in touch with Human Resources Managers and personnel responsible for traineeships. For this purpose, the participating institutions open their laboratories, offices, workshops, and editorial rooms to give concrete examples that show girls how interesting and exciting this work can be. Employees are often personally available for discussions. The Girls' Day opens up future prospects to a generation of qualified young women. With the objective of establishing contacts and drawing the attention of industries and the public to girls' strengths. Pilot projects and campaigns have been launched to change girls' and young women's behaviour patterns with regard to their choice of career and to expand their spectrum of career options. Nevertheless, the number of girls choosing "typically female" careers or subjects of study is disproportionately high. In doing so, they do not fully exhaust their career opportunities. This is in opposition to an increasing lack of qualified junior staff in the technical field. The Girls' Day offers a wide range of professions and activities presented to girls in the age of class 5 to 10. By actively taking part in the Girls' Day, girls should be particularly motivated and encouraged to grasp their career options and to decide in favour of a qualified vocational training or degree. Subsequently, they choose an occupation even in professional fields that are presently not typically female.

At regional level

Employers' project

The German Centre for Productivity and Innovation (Rationalisierungs- und Innovationszentrum der Deutschen Wirtschaft e.V.) organises four workshops dealing with the topic of "**family friendly business world**" which take place in the federal state of Thüringen. These workshops aim at highlighting how especially small and medium-sized enterprises can conduct a family friendly personnel policy - even with low financial resources. Reducing costs resulting from fluctuation of employees and re-integration into employment, increasing motivation of employees and their identification with the company are key aspects of these seminars.

At company level

Employers' project

Initiated and commissioned by the non-profit Hertie Foundation, the **Work & Family Audit** is a management tool for business enterprises and organisations for the optimisation of a family-oriented employment policy. BDA is member of the Coordinating Body. The Work & Family Audit aims at ensuring a strong balance between corporate interests and employees' concerns. As a result of such an Audit targeted suggestions to provide impulses for the development of company-specific employment policy strategies and the implementation of measures are made.

Joint social partner projects

1. **TOTAL E-QUALITY** is a trade and industry initiative. The co-founders of TOTAL E-QUALITY Germany are staff employed by Bayer AG, DT Bad Kissingen Technische Vertriebs GmbH, Deutsche Telekom AG, Hoechst AG, Albert Mühlenberg

OHG, Philips GmbH and VW AG, the social partners (Confederation of German Employers' Associations (BDA), the Confederation of German Trade Unions (DGB), the Federal Ministries of Education and Science, Research and Technology and of Family Affairs, Senior Citizens, Women and Youth, the Federal Employment Agency's Institute for Employment Research and the Bildungswerk der Hessischen Wirtschaft e. V..

The aims of TOTAL E-QUALITY are to identify, promote and put to optimum use the talents, skills and qualities of women in a corporate setting, allowing women to take their share of responsibility and information, receive basic and advanced training, and receive commensurate remuneration both in terms of pay and performance-related bonus schemes, all on an equal rights basis. TOTAL E-QUALITY starts out from the premise that providing equal opportunities for women and men gives employers a competitive edge and is indispensable if they are to practise an innovative, forward-looking HR management policy. Application for the TOTAL E-QUALITY scheme is voluntary and based on companies' self assessment. Eligible companies come from all domains, can be of any size in excess of 25 employees and must have an annual turnover of € 500,000. The TOTAL E-QUALITY working group has drawn up a checklist for would-be applicants, based on corporate practice and experiences.

2. The **New Quality of Work Initiative** (INQA – Initiative Neue Qualität der Arbeit) is a joint project of Social Partners (including BDA and DGB), the Federal Government, the Federal States and social insurance institutions. The members of the initiative are pursuing their goal in a situation of rapid structural change in the economy and the society where **demographic development leads to an ageing labour force**. The partners in the initiative intend to prompt a broad societal debate on the future of work. This debate will support all players in defining the priorities for their social and economic activities and will help to clarify the need for new concepts of work design. Furthermore, the partners intend to develop joint concepts and measures to improve the quality of work, to be carried out by the partners on their own responsibility. Social partners have been actively involved in current INQA-initiatives.

C. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

D. Better governance

Social partners' involvement in NAP employment

Consultation of social partners' by government on draft NAP

Since the first release of the NAPs, the social partners each year are invited to discuss the draft papers.

Impact of social partners' opinion on draft NAP

The content and structure of the draft papers as well as the discussion process itself have improved over the last years. Within a constructive dialogue the government

more and more is taking our remarks into account. But, of course, the final NAP will always remain a governmental product that in many areas does not reflect social partners' opinion. The NAP neither is a consensus oriented paper nor a compromise on governmental and employers' and trade unions' opinions.

Social partners' involvement in drafting parts of NAP

Since 2003, the social partners are given the opportunity to hand in social partners' initiatives in advance. In general, these projects and initiatives are taken into account within the text. This process is effective and efficient, drafting further parts of the NAP cannot be our task. Besides, since we do not accept parts of its content, we certainly do not want to leave the impression that the NAP is a cooperation product.

Synchronisation of the BEPGs and the EES: the impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

The synchronisation of the Broad Economic Policy Guidelines and the European Employment strategy did not impact the social partners' involvement in the preparation of the NAP.

Social Partners weren't involved in the process of implementing the BEPGs.

National follow-up activities to Employment Task Force report recommendations

Germany has recently experienced several attempts at reforming the labour market. However, major initiatives were taken before the Kok Employment Task Force report was published.

Social Partners have always played an active and constructive role within the reform process – not only since the Kok-Report was launched. BDA has developed a wide range of concepts to reduce non-wage labour cost, tax burdens and to enhance a flexible and modern labour law. Early in 2004, DGB submitted a paper entitled *Reformanstöße für Wachstum und Beschäftigung, Bildung und Innovation* (Encouraging Reforms for Growth and Employment, Education and Innovation).

As members of the board of governors at the federal employment agency and at the local agencies, representatives of employers' organisations bring forward the reform process within the organisation, especially the placement service.

In the area of labour market policy, workforce representatives are responsibly fulfilling their duties in the tripartite framework of the Federal Labour Office (BA). One of the main priorities is to shore up a labour market policy that is geared towards prevention, by promoting initial training and continuing vocational training more vigorously, for example.

Greece

Organisations

- Trade Unions: GSEE (General confederation of Greek trade unions), member of ETUC
- Employers: FGI (Federation of Greek Industry), member of UNICE and GSVEE (General Confederation of Greek Small Businesses and Trades), member of UEAPME

1. Increasing adaptability of workers and enterprises

At national level

Within the context of the National Competitiveness Council, social partners reached agreement in specific recommendations and policy guidelines for the improvement of National Competitiveness. These proposals are handed to the Greek Government to take the appropriate measures, especially concerning fiscal policy and investments in R&D.

In the context of the National General Collective Agreement 2004-2005, social partners agreed to transpose the European Telework Agreement and make the appropriate efforts to disseminate the positive aspects of this form of work in order to facilitate its use.

Social partners agreed to ask jointly the Ministry of Employment and Social Security to release private companies from certain administrative burdens concerning overtime permits.

2. Making work a real option for all

At national level

In the context of the National General Collective Agreement 2004-2005, social partners agreed to develop jointly measures for older workers and active ageing.

In order to facilitate women's employment, social partners agreed flexible arrangements concerning the granting of child-care leave.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Better governance

Social partners' involvement in the NAP employment

Social Partners were invited to write their opinion on the draft NAP 2004. However, their involvement in the drafting procedure was not so active. In any event, the Nap 2004 was extensively discussed in the context of the Employment Committee and approved unanimously.

The synchronisation between the Broad Economic Policy Guidelines and the European Employment Strategy has so far had no influence on the involvement of the Social Partners in preparation of NAP employment. On the contrary their involvement in the implementation of the Broad Economic Policy Guidelines has been reflected in the Greek Competitiveness Report, mentioned above.

National follow-up to the Employment Task Force report recommendations

There were no national activities concerning the follow-up of the recommendations made by the Employment Task Force Report.

Ireland

Organisations:

- Irish Congress of Trade Unions (ICTU), member of ETUC
- Irish Business and Employers Confederation (IBEC), member of UNICE

As in previous years, the Social partnership agreements in Ireland include commitments to a range of employment measures which take account of the agenda set down in the EU Employment Action Plans. While the national process which leads to these agreements is based on a social partnership consensus – based approach, it is often the case that the implementation of *specific employment commitments* has proven more difficult.

There are number of perspectives to resolving the issues identified both at national level and by the EU as part of their employment agenda. In reality, changes in *policy* as well *innovative and experimental responses* by the Social Partners and other local actors are required. While this report reflects the most positive contributions made during 2004 the Social Partners are taking this opportunity to reflect our chief concerns in respect of the National Employment Action Plan process and consequent gaps in development.

Joint Actions of the Social Partners

1. Increasing adaptability of workers and enterprises

Work is continuing on developing the Training Networks Initiative promoted by **Skillnets**, a Joint Employer / Union sectoral Initiative. The networks are financed through co-investment, with government funded through the National Training Fund and companies providing 33 % on average. Over the period 2002-2004 around 2,700 companies and 15,000 trainees will participate in the programme.

Joint Construction Safety Programme jointly promoted by the Construction Industry Federation and ICTU.

2. Making Work a real option for all

If Europe is to achieve the Lisbon Agenda target, it must attract more people to the labourforce. The Kok report advocates that work must be made a real option for all by making it more attractive. It must do this by *"making work pay" by aligning the tax and benefits systems better, by eliminating low pay traps, "making part time work more attractive for parents and lone parents wishing to combine family with working life"* and by providing better childcare facilities etc.

In Ireland over the last year;

- The Social Partners have recently agreed the text of a Code of practice on Teleworking and are negotiating further on a Code of Practice on Access to Part-time work.

- The Social Partners have recently agreed increases in the level of Maternity Benefit and are currently negotiating legislation and a Code of Practice of Parental Leave.
- The Social Partners have recently completed a review of the Social Insurance System which aimed to assess to what extent the system is inclusive and will facilitate combining work and family responsibilities.
- However, Policy change is significant in implementing this agenda. This is an area where there is significant room for improvement; there has been little progress in achieving policy change despite considerable effort by Social Partners in highlighting the nature and extent of the problems.

3. Other Initiatives

The **Workway Initiative**, an initiative developed by ICTU / IBEC to explore and promote employment opportunities for people with disabilities in the *Private Sector*, supported by the Department of Enterprise, Trade and Employment, was successfully completed in the past twelve months. The work was structured through the establishment of Local Networks, representative of employers, union representatives and people with disabilities, supported by a National Steering Committee. Joint *Employment Guidelines* and an associated *Policy document*, outlining the experiences of the local Networks were produced. The project was positively evaluated by the Department of Enterprise, trade and Employment. FAS have subsequently sponsored the piloting of the Joint Employment Guidelines. More information can be found on the dedicated website: www.workway.ie

Integration/Valuing Diversity

The Anti-Racist Workplace Week. The fifth Anti-racist Workplace Week was held from November 1st to 5th and has increased its impact by including the Irish Farmers Association and the Chambers of Commerce of Ireland as partners for the first time. This year's activities included a significant billboard and radio campaign as well as the publication of "**Achieving Equality in Intercultural Workplaces - an Agenda for Action**". This is an important publication in underpinning a planned and systematic approach to:

- Prevent and eliminating racism in the workplace.
- Make adjustments in the workplace to take account of cultural diversity.
- Take practical steps to promote workplace equality across this cultural diversity.
- Ensure the workplace communicates a message for equality within the wider community and society.

The INTERACT project

- The INTERACT project, which is funded by EQUAL, continued its work to promote and assist the integration of non-Irish nationals who are working in Ireland. During Anti-racist Workplace Week, David Begg and Turlough O'Sullivan launched an interactive website which provides on-line support for migrant workers, union officials and HR managers. This built substantially on research into the experience of Irish and Migrant workers, which identified a number of conclusions and policy

recommendations which aim to build an intercultural workplace. The website address is www.interact2.com

The **National Framework Committee for Work Life Balance** continues its work to fulfil its remit i.e.:

- Support for SMEs to use an WLB consultant to help them implement work life balance initiatives.
- Annual Work Life Balance Day
- Information website - www.worklifebalance.ie
- Direct Financial Assistance for a number of workplace level projects
- Research published: "Off the Treadmill: Achieving work/life balance"

Forum of the Workplace of the Future

During 2004 the Social Partners have collaborated on examining the future of organisational change in the face of changing economic and social priorities and workplace / Employer/ Labour Force needs. The report of the Forum is to be published early in 2005.

Pavee Feens Hawken

The project team, that includes IBEC and the Irish Trade Union Trust, has continued in its work to address the issues faced by traveller men. This year saw a number of men go through training developed by the project to enable them to set up their own business.

4. Better Governance

Social partners' involvement in the NAP employment

Consultation of social partners' by government on draft NAP

Once again, during 2004 the Social Partners have found the process of engagement on the National Employment Action Plan frustrating and ineffective. While considerable time was allocated to the submission of *initial* views by the respective organisations, a very short response time was allocated to commentary or any level of engagement on the *official Draft Plan* to be submitted.

Impact of social partners' opinion on draft NAP

Very little account was taken of the Social Partner views on a range of key issues e.g. childcare, lifelong learning, making work pay.

Social partners' involvement in drafting parts of NAP

Social Partners were not involved in the initial drafting of the Irish NAP. Whilst they were given an opportunity to comment on the draft text, it was late in the day and therefore whilst textual changes were possible they not looked for or anticipated.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

The synchronisation of the BEPG and EES has had no impact.

In summary, the Social Partners regard the process as an administrative exercise, an annual reporting process by relevant Departments which does not unduly influence the determination of priorities or, serve to engage departments in activities which require the closer integration of policy or responses.

The Social Partners believe an effective process would drive the development of incremental progress towards the achievement of the goals outlined in the EU Employment Strategy.

National follow-up activities to Employment Task Force recommendations

There has been no effective follow-up to the Kok process. There have been recurring themes in successive Social Partnership contributions to the Irish NEAP for a number of years, many of which match the comments made in the Kok report . The Kok report not only identifies their significance in broad strategic terms as well as the need for investment but also details innovations and good practice, where appropriate.

Italy

Organisations:

- Trade unions: CGIL (General Italian Confederation of Work), CISL (Italian confederation of trade unions) and UIL (Italian Union of Work), members of ETUC
- Employers: Confindustria (Confederation of Italian Industries), member of UNICE, CEEP-Italy, member of CEEP, Confapi (Italian Confederation of Small and Medium Sized Industries), Confartigianato (Confederation of Italian Crafts) and CNA (National Confederation of Handicraft and SMEs), members of UEAPME

1. Increasing adaptability of workers and enterprises

At national level

- Interconfederal agreement concerning the provisional regulation of work/training contracts (13 November 2003);
- Interconfederal agreement concerning the implementation of the new rules introduced by the labour-market reform on "work entry or re-entry" contracts for young people up to 29 and disadvantaged persons (long-term unemployed persons aged from 29 to 32, unemployed persons aged over 50, women, disabled people);
- Joint document of the social partners for contributing to the elaboration of the National Action Plan on employment;
- Joint opinion to implement the European framework agreement on telework. The opinion provides the possibility for collective bargaining at sectoral level to establish further details of the regulation and safeguard precedents agreements signed at national and company level (such as the Telework agreements previously signed by CGIL, CISL, and UIL and the employers' associations of SMEs and of the private trade sector);
- Joint document ("Impegnarsi al Sud") signed by CGIL, CISL and UIL and employers' association (exception made for the employers' associations of the crafts sector and of SMEs) concerning development policies for the South;
- On 17 March 2004, craft confederations (Confartigianato, CNA, Casartigiani and CLAAI) and trade union confederations (CGIL, CISL and UIL) reached an agreement in order to reform the contractual model increasing competences at regional level. In particular, at national level, the agreement's guidelines attribute at to bargaining levels (national and regional) the purpose of guaranteeing and increasing the value of wage-system standards. At territorial level, it assigns the task of distributing labour productivity, where as produced, ensuring the protection of salary purchasing power, in the case of inflation variance, real and foreseen. In absence of regional bargaining, the national social partners guaranteed the protection of wage purchasing power.

At sectoral level

National collective bargaining at sectoral level in Italy remains the most developed level of negotiation. Apart from the differences and the specificities of the various

sectors, common feature for the numerous collective agreements signed during the year is the definition of contractual solutions on employability and adaptability, through some forms of work (in particular on part-time work, "work-entry contracts", apprenticeship) introduced by the new legislation on the labour market.

At regional level

Many regions started the legislative process to approve regional laws for the implementation of the national laws which involves regional competencies and/or for the revision of the pre-existing regional laws in consequence of the new constitutional asset which assigns to regional legislation specific competences.

Social partners were consulted and presented their different contributions, expressing their opinion on the texts that were under discussion.

At the present time (01/12/04), no regional laws were approved, except for the laws that, in some regions, regulate public services at the local level.

At company level

As provided by the national collective agreements, in many companies collective bargaining took place to implement the regulations defined by social partners at sectoral level.

2. Making work a real option for all

At sectoral level

Joint opinions of the social partners in the construction and agriculture sectors to fight against undeclared and irregular work; also in the sectors of tourism and commerce negotiations are developing to reach agreements on this issue.

At regional level

In many areas, especially in the South, social partners and public institutions signed "protocols of legality" and joint opinions to fight against undeclared and irregular work, implementing the agreements signed at national level.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions

4. Better governance

Social partners' involvement in the NAP employment

Consultation of social partners by government on draft NAP

The government asked social partners' opinion on the draft NAP.

Impact of social partners' opinion on draft NAP

The contribution of the social partners was taken into account by the government.

Social partners' involvement in drafting parts of NAP

Social partners elaborated the part concerning social and institutional dialogue.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

Social partners were informed about the government orientations on BEPGs on the occasion of the presentation of the budget law; trade unions held a four-hour general strike on 30 September 2004 to protest against the budget law.

National follow-up activities to Employment Task Force recommendations

No involvement of social partners.

Latvia

Organisations:

- Free Trade Union Confederation of Latvia, member of ETUC
- Employers' Confederation of Latvia, member of UNICE

1. Increasing adaptability of workers and enterprises

At national level

In August 2004 Employers Confederation of Latvia and Free Trade Union Confederation of Latvia concluded a General Agreement on Cooperation. Social partners have agreed to combine their forces in the fight against undeclared work.

In October 2004 Employers Confederation of Latvia, Free Trade Union Confederation of Latvia and Cabinet of Ministers of Latvia concluded Tripartite Agreement on social and economic partnership that provides for cooperation in the fight against undeclared work and reduction of unemployment.

At regional level

Social partners participate in the development and work of the regional tripartite employment councils that will foster the increase of employment in the regions.

2. Making work a real option for all

At national level

The Tripartite Agreement on social and economic partnership provides for cooperation in the policy development in the field of monthly minimum wage and of the personal income tax benefits.

General Agreement on Cooperation provides for the collaboration in the development of policy in the field of personal income tax benefits.

Social partners participate in the State tax policy development working group that was created in the Ministry of Finance.

At regional level

Social partners participate in the development and work of the regional tripartite employment councils that will foster an increase in employment in the regions.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

Within the framework of the ESF national programme "Support for Capacity Building of Institutions Responsible for Labour Market and Gender Equality Policies and Support for Information Dissemination and Increasing Public Awareness", social partners have the opportunity to implement their capacity building projects.

5. Better governance

Social partners' involvement in the NAPs employment

Social partners' consultation by government on draft NAP

The government consulted social partners on the draft NAP.

Impact of social partners' opinion on draft NAP

The views expressed by social partners had some impact.

Social partners' involvement in drafting parts of NAP

Social partners were not involved in drafting parts of the NAP.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

The synchronisation did not have an impact on the involvement in NAP and social partners are not involved in the implementation of BEPGs.

National follow-up activities to Employment Task Force report recommendations

No actions were taken.

Lithuania

Organisations:

- Lithuanian Trade Union Confederation (LPSK), member of ETUC
- Lithuanian Confederation of Industrialists (LPK), member of UNICE

1. Increasing adaptability of workers and enterprises

At national level

The main institution dealing with employment policy matters at national level is the Ministry of Social Security and Labour. However, it is recognised that the programmes and policies of other ministries have a major influence on employment developments. These include most notably the Ministry of Education and Science, the Ministry of Economy, and the Ministry of Finance.

The main strategic policy document on employment is the Programme of the Republic of Lithuania for increasing employment for 2001-2004, drafted under the responsibility of the Ministry of Social Security and Labour and approved by the government in May 2001. The Programme's structure corresponds to the four-pillar structure of the European Employment Guidelines, and its main strategic objectives are:

- to cope with negative consequences of structural economic reforms and the external impact on employment and the labour market;
- to increase employment, reduce unemployment and restore balance on the labour market;
- to get ready for participation in the EU employment policy co-ordination process.

Employment policies operate within a legal framework set by laws on: support of the unemployed; vocational education and training; equal opportunities for women and men; employment contracts; individual income security; and state social insurance. One unique feature of the Lithuanian situation is that the Law on Support for the Unemployed provides legal employment guarantees for certain groups in the population – persons under 18 years, women (and single fathers) with children aged under 14, persons within five years of reaching pension age, the disabled.

Seeking to increase employment of the population and to balance the labour market, Lithuanian Confederation of Industrialists (LPK) cooperates closely with the Ministry of Social Security and Labour of Lithuania and gives priorities in its activities to active labour market policy related to the prevention of unemployment, support of employment, labour market training, ensuring equal opportunities in the labour market, preparation of the regional unemployment and business encouragement programmes.

Issues concerning increase in adaptability of workers and enterprises are often discussed in Lithuanian Tripartite Council, Presidium meetings of Lithuanian Confederation of Industrialists (LPK)

Representatives of Lithuanian Trade Union Confederation have possibility to express trade union position and submit proposals in Lithuanian Tripartite Council, Tripartite Commission at the National Labour Exchange, Council of Guarantee Fund, State Social Insurance Council.

Project of the national agreement between Lithuanian social partners is under consideration in the Lithuanian Tripartite Council at the moment and issues related to employment will be covered in this agreement

Lithuanian Trade Union Confederation (LPSK) organised the campaign to consider the programme of newly elected Lithuanian Government. Questions of employment policy in this programme are fundamental for trade unions.

At sectoral/regional level

As part of the project "Social dialogue" Lithuanian Confederation of Industrialists (LPK) together with German employers (BDA, association "Nordmetall" organise a number of seminars on national and international Labour law requirements.

During the seminars LPK focuses on three main focal points (i) Termination of an Employment Contract on the Initiative of an Employer without any Fault on the Part of an Employee; (ii) Termination of an Employment Contract without Notice, and (iii) Procedure of Imposing a Disciplinary Sanction.

German experts present different aspects of working councils' activities in Germany, starting from their general role and tasks and finishing by the technical details of their establishment and abolishment. The lecturers pay a great deal of attention to relations between Trade Unions and Works Councils, because the issue is of great interest to Lithuanian participants and is very important in Lithuania at the moment. Due to threat of losing the monopoly of employee representation to works councils, Lithuanian Trade Unions impede the establishment of works councils in the country.

As a result of the mentioned seminars and trainings, Lithuanian employers now are able to better resolve such issues as employment, payment for work, social guarantees of employees in the way of tripartite cooperation and negotiation. After the project, LPK members are able to understand what are the main EU requirements regarding social dialogue and labour market and to meet them too. After this project they are discussing the possibilities of implementation of German experience in Lithuania in order to facilitate realisation of these EU requirements. After this project, Confederation of Lithuanian Industrialists (LPK) has prepared a number of suggestions on how to change Lithuanian Labour Code accordingly. After this project, having enough information on the EU requirements regarding social dialogue and labour relations, the social partners will be able more effectively participate and negotiate in tripartite EU structures and institutions. Lithuanian social partners also improved their capacities to settle a labour dispute in the most efficient way because they have been familiarised with the settlement of labour disputes in Germany.

Lithuanian Trade Union Confederation (LPSK) organises training seminars for trade union representatives in regions on Labour Code, social dialogue, collective bargaining, social security questions. Sectoral unions organise training for shop stewards and also meetings, discussions, training of workers in enterprises

Lithuanian Trade Union Confederation (LPSK) representatives in Tripartite Committees on Territorial Labour Exchanges consider and solve questions related to the implementation of the labour market policy in regions. 46 territorial labour exchanges function in Lithuania and tripartite commissions are established in each of them

At company level

An improvement in the occupational environment as a business improvement tool is an important resource which is not enough used in Lithuania for seeking welfare of business and the country. If enterprises are not able to manage their professional safety and health risk properly, they waste many resources and much time, both of which are vital for development of enterprises' competences in preparation for the EU; moreover, the growth of business potential is the main engine of economic development which most of all fosters the **growth of employment**.

Meanwhile, the huge potential of professional safety and health management knowledge that is developed in EU countries hardly reaches the workers of Lithuanian enterprises. **The Training Centre of Lithuanian Confederation of Industrialists** is trying to change the situation **through a teaching and activities programme Safety, health and work conditions** which was developed in Sweden, approved by ILO, and translated into 30 languages (also into Lithuanian). In Lithuania, the global structure of the programme is being complemented with local materials and experience of course tutors and participants, thus the programme is being adapted to particular enterprises and constantly improved.

The programme is specifically suited for education of adults therefore **local tutors** who are trained under this project to **ensure a continuance of the programme** will be **additionally trained** and consulted regarding work with adults.

Therefore the purpose of this project is to bring **modern systematic knowledge** of professional health and safety as well as skills directly to **target groups** in Lithuanian enterprises – middle managers, specialists, members of safety and health committees, and a part of all workers.

LPK provides constantly to its member companies the general overview of the most recent draft amendments to Lithuanian Labour Code and other laws related to employment. The most important draft amendments are related to the issues of works councils, working time and additional leave.

2. Making work a real option for all

At national level

Lithuanian Trade Union Confederation (LPSK) participates in the Equal project "Support Network for Pre-retirement Age People's Reintegration into the Labour Market in Vilnius and Utena Regions", planning to exercise the motivation, occupational orientation and education of pre-retirement age people, to prepare new models for re-skilling, to inform and support and provide guidance for them for obtaining new competences and qualifications. Lithuanian Confederation of Industrialists (LPK) is also going to join this project in 2005.

Lithuanian Confederation of Industrialists (LPK) organises LPK Presidium sittings, consultative sittings, discussions with its members, trade unions and Government about opportunities for temporary employment for the unemployed.

At sectoral/regional level

Lithuanian Confederation of Industrialists (LPK) was involved into the Phare project "Integration of disabled persons into the labour market". Representatives of LPK participated in a number of seminars and study tour in Denmark.

At company level

Lithuanian Confederation of Industrialists (LPK) has organised a number of seminars on the possibility to use EU funds and increase competitive abilities and employment among Lithuanian companies.

Lithuanian Confederation of Industrialists (LPK) regularly sends its members to national and international meetings and seminars on employment issues

3. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Better governance

Social partners' involvement in the NAP employment

Social partners' consultation on draft NAP by government

NAP was discussed at the Lithuanian Tripartite Council. In April 2004, the concept of the European Employment Strategy, its objectives and Employment Guidelines as well as standard outline for the drafting of the National Action Plan for Employment (NAP) were presented at the Tripartite Council in which the representatives of the Lithuanian

Confederation of Industrialists (LPK) and Lithuanian Trade Union Confederation (LPSK) took part. As was decided, in 2004 social partners' organisations were not obliged to draft the separate parts of the Plan on their own.

The final draft NAP was presented and discussed in the Tripartite Council in September 2004.

Impact of social partners' opinion on the draft NAP

The representatives of the Confederation of Lithuanian Industrialists (LPK) and Lithuanian Trade Union Confederation (LPSK) did not have any essential comments on the drafted document, but expressed their opinion on the next year NAP on Employment.

The Lithuanian Confederation of Industrialists would like more concrete future actions to be defined and concrete numbers like forecast average wages for 2005-2007,

electricity prices, amount of public allocations for adult training, etc., to be presented in the NAP for Employment of 2005.

Lithuanian Trade Union Confederation (LPSK) presented its position whereby it wants to be involved in preparation of NAP for Employment of 2005 at an early stage.

Social partners' involvement in drafting parts of NAP

Social partners were not involved in drafting parts of NAP.

Synchronisation of the Broad Economic Policy Guidelines (BEPG) and the European employment strategy (EES): impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs.

Lithuanian Confederation of Industrialists was not involved in the implementation of BEPGs.

National follow-up activities to Employment Task Force recommendations

Lithuanian Confederation of Industrialists was not involved in the mentioned activities.

Luxemburg

Organisations:

- Trade unions: CGT-L (Confédération Générale du Travail de Luxembourg) and LGGB (Union of the Christian trade unions of Luxembourg), members of ETUC
- Employers: FEDIL (Federation of Luxembourg's Industrialists), member of UNICE, FdA (Craft Federation) and Chambre des Métiers (Chamber of Craft) members of UEAPME

1. Increasing adaptability of workers and enterprises

At national level

The social partners concerted their views in the framework of bilateral meetings in organised to discuss avenues for adaptation to change (combating unemployment).

Employer initiatives

- Continuation of efforts to raise awareness among young people of entrepreneurship with a view to awakening in them a desire to create, innovate, take initiatives and accept challenges, notably through "mini-business" projects thought up by and carried out by students in the top classes of secondary school;
- Organisation of several forums conferences on business creation by Chambre de Commerce and Chambre des Métiers, as well as a forum organised by UEL and entitled "Women and enterprise: setting up your own business" with a view to making women more aware of entrepreneurship;
- Participation in the national committee for promotion of the spirit of enterprise;
- Continuation of management of a trade fair designed to encourage transfers of businesses;
- Continuation of Business Initiative and the competition 1,2,3-GO with a view to further promotion of the spirit of enterprise;
- Organisation of information sessions on various legislative innovations of particular interest to business people (public procurement, framework law, financing strategies, VAT and measures to foster residential construction).

Trade union initiatives

- Activities using the structures put in place in 2003 to get the long-term unemployed back to work;
- At the level of Luxembourg and the surrounding regions, EURES trade union advisers contribute to jobseeker mobility.

2. Making work a real option for all

At national level

Joint initiatives

The social partners concerted their views in the framework of bipartite meetings targeting

- reform of the part-time work contract
- introduction of a framework for teleworking
- signature of a charter to promote equality of opportunity vis-à-vis disabled workers.

In the framework of tripartite work, they took part in discussions on introduction of a legislative regime for time credit accounts (in the framework of work in the Economic and Social Council) and reform of legislation on incapacity to work and reintegration in the world of work (in the framework of the Tripartite coordination Committee).

Employer initiatives

- Launch of specific actions by employers, e.g. organisation of an information forum for women wishing to create their own business;
- Support for the initiative to create a business organisation bringing together women executives;
- Offer of courses designed to facilitate putting in place pay systems reflecting skills/functions.

3. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

Joint initiatives

In the framework of tripartite work, the social partners have been involved in discussions on:

- modification of the legislation instituted by NAP Employment 1998 (notably in the framework of the work of the Standing Committee on Employment and the Tripartite Coordination Committee)
- analysis of the economic competitiveness situation in Luxembourg (in the framework of the work of the Tripartite Coordination Committee)

In the framework of multilateral discussions, they are endeavouring to reduce the number of home-work travel accidents through launch of a national awareness-raising and action campaign.

➤ **in the area of health and safety at work:**

At national level

- Organisation, jointly with the Labour and Mines Inspectorate, of a conference on "Health and Safety";
- Preparation with the Labour and Mines Inspectorate of draft Luxembourg regulations, notably on training of designated workers, safety delegates and safety coordinators.

At company level

Conclusion of collective agreements on sexual harassment and related mediation procedures.

Employer initiatives

At national level

➤ **in the framework of sustainable development:**

- Implementation of a charter signed by UEL whereby employer organisations have undertaken to promote vis-à-vis Luxembourg companies a sustainable development dynamic which takes account of the economic, social, environmental and societal aspects of development;
- Preparation of a conference on corporate social responsibility.

At sectoral level

➤ **in the framework of employment measures:**

- Realisation of two studies on labour needs in the industry and craft sectors;
- Creation, with the collaboration of ADEM, of a pool of replacement workers in the commerce sector.

➤ **in the framework of sustainable development:**

- Implementation and promotion of a charter signed by UEL whereby employer organisations have undertaken to promote vis-à-vis Luxembourg companies a sustainable development dynamic which takes account of the economic, social, environmental and societal aspects of development;
- Preparation of a conference on corporate social responsibility.

• **in the area of health and safety at work:**

At sectoral level

- Development of the concept designed for both the victims of sexual harassment and the companies confronted by such behaviour but deprived of means to live up to their obligations due to recent provisions in this area;
- Conferences on at-risk positions;

- Organisation of sectoral training courses, notably for temporary workers in the construction sector;
- Initiatives by various health services in the area of ergonomics (e.g. to reduce back strain);
- Creation of a tool to identify at-risk positions in companies;
- Creation of a preventive medicine service in the banking sector.

5. Better governance

Social partners' involvement in NAP employment

Consultation of social partners' by government on draft NAP

Employer organisations and the two representative trade unions at national level took part in meetings to prepare NAP 2004 in the framework of meetings of the Standing Committee on Employment, a tripartite body entrusted with regularly examining the employment and unemployment situation. The work thus carried out in the Standing Committee on Employment was then analysed, followed up then approved by the Tripartite Coordination Committee, which brings together members of the government, worker representatives from trade unions at national level as well as employer representatives from the various economic sectors.

Impact of social partners' opinion on draft NAP

Social partners opinion were taken into account through inclusion of parts of their input in the national response to the guidelines.

Social partners' involvement in drafting parts of NAP

Indirectly, through inclusion of parts of their input in the national response to the guidelines.

Synchronisation of the BEPGs and the EES: the impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

No impact.

National follow-up activities to Employment Task Force report recommendations

Follow-up of the recommendations is the task of the Standing Committee on Employment which, following elections, only resumed its activities after creation of the new government and, due to other priorities, has not yet been able to discuss them. Nevertheless, the recommendations of the Kok report on employment (and of the Kok II report on the Lisbon strategy) will also be analysed and discussed in the weeks ahead at the level of the Luxembourg Economic and Social Council.

Malta

Organisations:

- GWU (General Workers Union), member of ETUC
- MFOI (Malta Federation of Industry), member of UNICE

1. Increasing adaptability of workers and enterprises

Maltese unions, including the 'General Workers Union' – the principal trade union in Malta - organises training courses for both members and the general public.

The main challenge which Malta is facing in this context, is to stimulate restructuring. There is an urgent need for the Government to give an indication of the potential growth areas it envisages in the future. Apart from the pharmaceuticals and services sectors, there do not seem to be any further indications. The 2005 budget has taken some measures to increase the adaptability of the labour supply to make the labour force more adaptable and to increase female participation.

2. Making work a real option for all

The main problems that we faced last year are still with us. 53.1% of all unemployed persons are between 15 and 24 years of age. Moreover, 50.3% of the total unemployed had been seeking employment for 12 months or over. This means that there is a certain amount of structural unemployment. The situation is more difficult because of the lack of economic growth.

Unfortunately, taxation has increased making it more viable for people to work in the black economy. What is needed is to reduce taxation to stimulate the economy and thus make it more viable to take more enterprising initiatives. Reduced taxation is also itself a measure to induce people to work in the formal economy while increased taxation, especially due to government-induced costs, is stifling for enterprises.

3. Investing in human capital

The initiatives relating to lifelong learning will be included in the third follow-up report on the framework of actions and should therefore be excluded from this report.

4. Other initiatives

The General Workers Union also provides tailor-made courses for various companies in Malta. The larger companies in both the manufacturing and service sectors organise their own in-house courses for the benefit of their employees.

5. Better governance

Consultation of social partners by government on the draft NAP?

When the Draft NAP was presented to the Social Partners, they were each given just a limited number of weeks in which to give their views and opinions.

Impact of social partners' opinion on draft NAP into account?

The Malta Business Bureau (MBB) had prepared a common position on the draft NAP, on behalf of the Malta Federation of Industry, the Malta Chamber of Commerce and Enterprise and the Malta Hotels and Restaurants Association. Most of the points included in this common position were incorporated into the NAP.

Social partners' involvement in drafting parts of NAP

None.

Synchronisation of the Broad Economic Policy Guidelines (BEPG) and the European employment strategy (EES): an impact on the involvement of social partners in preparation of NAP employment and implementation of BEPGs

The Social Partners were never consulted about BEPG and EES. Consequently there was no involvement by the social partners in the implementation of BEPG.

National follow-up activities to Employment Task Force report recommendations

To our knowledge no structural follow-up action on the Kok Employment Task Force Report has been initiated by Government.

The Netherlands

Organisations:

- Trade unions: FNV (Netherlands Federation of Trade Unions) and CNV (Federation of Christian Trade Unions), MHP (Trade Union Federation for Intermediate and Higher Employees), members of ETUC
- Employers: VNO-NCW (Confederation of Netherlands Industry and Employers), member of UNICE; MKB-Nederland (Royal Dutch Association of SMEs), member of UEAPME, and LTO Nederland (Dutch Organisation of Agriculture and Horticulture)

The above-mentioned employers' and trade union confederations constitute the Labour Foundation.

Procedures for consulting the social partners

In 2003, both employers and employees expressed the opinion that the social partners are not always consulted as closely as they might be. That opinion has not changed. One of the reasons is that the relevant documents, including European ones, arrive too late to allow for serious discussion.

It should be noted, however, that the substance of the National Action Plan on Employment (NAP) is ultimately the responsibility of government and not of the social partners as such.

Report on the policy of the social partners concerning the implementation of the Employment Guidelines

General comments

It is important to view the employment policy pursued by the social partners in the Netherlands against the background of the Dutch government's social and economic policy.

In November 2003, after a long period of consultation, the Dutch Cabinet and the social partners represented in the Labour Foundation reached agreement on the amendment or postponement of a number of social security measures previously announced by the Cabinet but criticised by employers and employees. These measures specifically concerned the Invalidity Insurance Act (WAO) and pre-pension schemes. The social partners then declared themselves prepared to exercise wage moderation so as to assist in the Netherlands' economic recovery and to help boost employment.

The social partners, united in the Labour Foundation, drew up a Statement to that effect, calling on sector- and company-level bargaining partners not to include any contractual pay increases in the collective agreements subject to renegotiation in 2004.

The Statement recommended that any contractual pay increases should “be virtually zero” in 2005 as well, on condition that the Cabinet and the social partners reached agreement on future early retirement and pre-pension systems and on arrangements allowing individuals to save for training, care or sabbatical leave during their working lives (the “lifespan scheme”).

After close consultation in early 2004 between employers and employees on the one hand and between employers, employees and the Cabinet on the other, it became clear on 18 May that the parties would be unable to reach agreement on these issues. In the view of the trade unions, the condition for effectuating the agreements in principle set out in their Statement (in relation to 2005) had therefore not been met.

In September 2004, the Cabinet presented its budget for 2005 and announced new measures in relation to the WAO and the cancellation of pre-pension tax facilities.

After employees held mass demonstrations against these plans in early October 2004, the social partners gradually resumed their negotiations with the Cabinet (at first on a strictly informal basis). The discussions concerned the pre-pension and lifespan schemes, legislation on occupational disability and unemployment benefits, and wage cost movements.

The consultations resulted on 5 November 2004 in a new Statement by the Cabinet¹ in which it announced that it would mitigate or withdraw a number of its proposed measures. It was prepared to do so in the light of a new, corresponding Statement by the trade unions and employers’ associations represented in the Labour Foundation concerning disability benefits and the reintegration of occupationally disabled employees², the assumption being that the social partners would be extremely circumspect with respect to wage movements in 2005.

Further measures, discussed below, have been taken by the social partners to stimulate employment and reduce the level of unemployment. The social partners have adopted such measures as joint members of the Labour Foundation, within the context of other institutions in which they are represented (for example the Council for Work and Income), or as independent organisations.

Combating youth unemployment

In January 2004, the employers and employees represented in the Labour Foundation advised bargaining partners, sectors of industry and individual companies to undertake measures or extra measures to bring down unemployment levels among young people.

Specifically, such measures involve maintaining and, where possible, creating practical training and work experience places for young people, increasing their employability through training / education, and creating more jobs for young people, for example by making use of the preliminary salary scales determined under collective agreements.

¹ See for the text of the Statement by the Cabinet www.stvda.nl

² See for the text of the Statement by the central employers’ associations and trade unions represented in the Labour Foundation: www.stvda.nl

The main purpose of this recommendation is to help young people who have only been unemployed for a short period of time to maintain their employability as much as possible by enabling them to acquire work experience.

In addition, the Centres for Work and Income (CWI) will attempt to make work placements and apprenticeships available for young people. The peak organisations of employers and the CWI set up a partnership for this purpose, called "*Jong Actief*" [Young and Active].

Using the Education and Development Funds (E&D Funds) to finance training / employment projects

The social partners in many different sectors of industry have set up Education and Development Funds (E&D Funds) financed by the individual companies in the relevant sector. These funds are used to finance training and education facilities for those employed in the companies concerned and to develop sector-specific labour market projects.

Since 1999, the Netherlands and the European Commission have been discussing whether the training activities co-financed through sector-specific E&D Funds could also be financed through the European Social Fund (ESF).

There are now indications that, following a case in Belgium, the Commission will revise its initial view that any E&D Funds obtained under a Ministerial order declaring the terms of a collective agreement binding on an entire sector should be regarded as public funds, i.e. as government aid, and that they therefore cannot be matched by any ESF funding. The Labour Foundation believes that it is important for the Commission to clarify the position of these funds in the Netherlands, so that the labour market-related activities financed through them can be intensified.

Policy on older employees

The social partners in the Netherlands have been considering the position of older workers for many years now, and in particular the most effective way of increasing the labour market participation rate of older workers.

In recent years, the voluntary early retirement schemes (*VUT* schemes) financed on a pay-as-you-go basis have been converted into fully-funded pre-pension schemes.

The change in the financing method will influence older workers to continue working for a longer period and accordingly increase the employment participation rate among the members of this age group. The effect will be reinforced by the fact that the average age to qualify for a pre-pension has in most cases been raised by a few years compared with the early retirement age under many of the old *VUT* schemes. In addition, the pension accrual period has been extended and the benefits percentage lowered in many cases.

As a result of the 5 November agreement between the Cabinet and the social partners, conditions for accruing a flexible pre-pension have been laid down in greater detail.

In the past, the social partners represented in the Labour Foundation made various recommendations regarding measures to be taken within the context of an age-conscious personnel policy. These focused on working conditions, additional training, career guidance, job modification and so on, all intended to ensure that older workers can continue working for a longer period of time.

Minorities policy

Agreement was reached in late 2002 within the Labour Foundation on recommendations intended to enhance the position of ethnic minorities in the labour market. The agreement expires on 1 January 2005. The social partners are now considering the desirability of further policy measures aimed at increasing the employment participation rate among ethnic minority groups.

Child-care

In 1999, in a bid to increase opportunities for women re-entering the labour market, the Labour Foundation drafted a recommendation intended to encourage child-care arrangements in collective agreements. The number of such arrangements has increased sharply since then. Today, 89% of all major collective agreements include child-care arrangements and the number of child-care places created by companies has also increased exponentially.

In connection with new legislation to be introduced on 1 January 2005 on the financing of child-care, the Labour Foundation recently published an updated (2004) version of its Child-Care Recommendation. Under the new legislation, employers, parents and the government will all contribute to the cost of child-care. In its recommendation, the Labour Foundation argues that if both parents work, both employers should contribute to the employer's share of the financing.

In its Statement of 5 November 2004, the Cabinet furthermore announced that it will allow tax-exempt balances in salary savings schemes to be used for child-care.

Reducing sickness absenteeism levels / reintegration of employees on sick leave

Another way of increasing the employment participation rate of the Dutch population is to cut down on sickness absenteeism and ensure that employees on sick leave are quickly reintegrated into the workforce. In recent years, the government and employers and employees in the different industrial sectors have drawn up occupational health and safety agreements. These agreements focus on the working conditions within the relevant sector and are intended to tackle specific factors leading to a relatively large percentage of sick leave cases. More than sixty of such agreements have now been concluded.

The Labour Foundation has also published a manual that helps companies draw up an effective prevention policy.³

³ Labour Foundation, **En morgen gezond weer op! Brochure over gezondheidsbeleid in ondernemingen en de relatie tussen onderneming en arbodiensten** [Better again tomorrow! Brochure on health policy in companies and the relationship between the company and the occupational health and safety service]. Joint publication by the Labour Foundation and the Occupational Health & Safety Service trade representative association, March 2002

On 20 February 2004, the Labour Foundation presented its advisory report on combating sickness absenteeism and reducing occupational disability levels through collective agreements to the Minister of Social Affairs and Employment. The report recommends that measures be adopted in such areas as public information, working conditions, pressure of work and stress, and corporate health policy.

The Foundation's Statement of 5 November 2004 also puts forward recommendations on these points, specifically intended to streamline the entire process of preventing illness among employees and reintegrating employees on sick leave into the workforce.

Improving labour productivity

The Lisbon strategy and other measures identify a structural increase in labour productivity as an important tool for achieving both long-term economic growth and a well-balanced labour market, in part with a view to the expected ageing of the working population.

The employers and employees represented in the Labour Foundation recently adopted a joint recommendation offering bargaining partners and companies guidelines for increasing labour productivity and enhancing innovation under collective agreements. The recommendation advocates a labour productivity policy that encourages working time management, modernisation of employment relations, training and employability schemes, performance-based pay and a sickness absenteeism policy.

Activities of individual organisations

In addition to the joint activities described above, the individual trade union federations and employers' associations represented in the Labour Foundation have organised their own activities to promote employment.

Such activities include the following:

- Confederation of Netherlands Industry and Employers (VNO-NCW): JOP Plan, which provides for work placement for young people with a view to combating youth unemployment. VNO-NCW also organises activities supporting the ambassadors network and presents the Diversity Award, aimed at encouraging the promotion of more women to senior executive positions;
- Royal Dutch Association of Small and Medium-sized Enterprises (MKB-Nederland): the 10,000 training jobs plan;
- Netherlands Federation of Trade Unions (FNV): Plan for Tackling Youth Unemployment;
- Federation of Christian Trade Unions (CNV): Smash: helping disadvantaged young people prepare for and find work; "It starts at home": preventing drop-outs among Moroccan youths.
- Dutch Organisation for Agriculture and Horticulture: Action Plan for tackling youth unemployment and Seasonal Work project, aimed at the supply of short-term workers.

Poland

Organisations:

- Trade Unions: NSZZ „Solidarność”; member of ETUC
- Employers: Polish Confederation of Private Employers (PKPP), member of UNICE, Polish Association of Craftsmanship (ZRP), member of UEAPME and Confederation of Polish Employers (KPP), member of CEEP.

I. Involvement of social partners

There are several main levels of activities of social partners in the field of employment policy. The main activities at national level are organised within the Tripartite Commission for Social and Economic Affairs and National Employment Council (NEC).

All representative social partners participate in the Tripartite Commission, which can impact on employment policy and regulations. Tripartite Commission offers the opportunity to create solutions which are tailored to the labour market situation. Additionally social partners can propose agreed solutions to the government

NEC is responsible, among other things, for:

- stimulating activities to increase employment and investments in human capital;
- issuing opinions about National Action Plan - NAP;
- issuing opinions on the structure of Labour Fund expenditures;
- issuing opinions about employment laws.

In 2004 social partners were involved in drafting the National Action Plan. They had an impact on the process of preparing the NAP through their participation in plenary meetings of Tripartite Commission. Special attention was paid to the SMEs sector, self-employment and investments in human capital.

The government took into account some of the recommendations of social partners while working on the NAP. The NAP consultation process was thus crucial for the quality and accuracy of the document. This process is highly recommended for future work on the Action Plan. Social partners are interested in promoting legal solutions which would help in creating new jobs. This is however very closely connected with both the efficiency of the labour market institutions and economic growth (mostly internal demand growth).

Employment is a big challenge for social partners in Poland. The European Employment Strategy and National Strategy will be discussed by social partners at every stage of planning the national strategy. Social partners play a key role in fulfilling the priorities of EES and in the process of screening the development of employment.

II. Key initiatives

1. Increasing adaptability of workers

At national level

Social partners were involved in consultation process of new statute on labour market institutions. Although the statute was prepared in the pre-accession period, it took into account the EES guidelines. According to the statute the Labour Fund offers subsidies for continuing education and training. Recommendations from social partners had an impact on the provisions of the statute.

Since 1 January 2004 the law on temporary workers' employment has been in force. The law was initiated by social partners and widely discussed within the Tripartite Commission. The regulation provides framework procedures which had been tried out before and which resulted in better protection of temporary workers but also clear rules for their employment. Social partners have agreed that after one year there should be evaluation and a possible revision of the regulation

There are special provisions in the National Action Plan on means of support to increase the adaptability of the SMEs sector. There is a framework financial support scheme for investments in human capital (i.e. training and lifelong education of workers). According to NAP, preferential loans and preferential treatment will be offered by state agencies to entrepreneurs to create a friendly environment for investments in increasing the adaptability on the labour market.

Social partners together with NGOs are involved in the activities of the National Employment Council. The Body gives opinions on the way money from the Labour Fund is spent and influences the national regulations which influence the labour market.

Social partners are entitled to oversee the use of Labour Fund, which is created from the employers' fees paid into the budget each month. The opinion of social partners is taken into account in planning future expenditures.

It should be added that Labour Fund recently has more responsibilities and tasks than it has had so far, but its budget has been cut. There are no more government subsidies to the Fund and the budget of the Fund is more than 4.5 billion zloty. Therefore the structure of expenditures from the Labour Fund is not adequate for the situation on the labour market. More than 90% is spent on passive support for the unemployed (unemployment and welfare benefits). Social partners concentrate their efforts on increasing the support for active forms of fighting unemployment (training courses, activation of postgraduates, loans).

At regional level

Social partners are involved in the activities of Commissions of Social Dialogue (WKDS). They cooperate with local authorities. Apart from the agreements at national level, there are also local agreements between social partners and local authorities on employment policy at local level.

It should be emphasised that the main efforts of social partners are focused on increasing employment and adaptability of workers. The priority has been given to supporting training funds and identification of needs on the local labour market. The problem which social partners have noticed in the regions is a significant mismatch of qualifications demanded by employers and those supplied by potential employees. Therefore social partners concentrate on promoting flexibility and lifelong learning initiatives.

One of these regional initiatives is a programme called STER, which is meant to prevent unemployment and to limit the consequences of reductions among employees in the ship-building industry. It is concentrated on information, job agencies, vocational guidance and training courses. A crucial element of these actions is self-employment assistance and vocational mobility of workers. The programme supports employers who employ the newly unemployed and promotes the employment of persons who have problems finding new jobs.

Moreover, there are Employment Councils organised in regions that cooperate with the regional administration. They have broad competences in the field of regional employment policy and, apart from their activities which correspond to those of the NEC, they also have the right to take up activities in the field of lifelong learning and assess the work of regional Labour Offices.

The Employers' Association of Lower Silesia, a member of KPP cooperates with the local employment clubs. It is also involved in the project which aims at analysis of the job offers in the Region and auditing of training companies' offers.

At company level

Projects at company level are initiated with the support of the social partners and entrepreneurs are looking for the EU financial support. There is not enough capital, especially in small and medium-sized companies, to invest in the lifelong learning or inclusion programmes. Therefore KPP calls for state financial support where training of older workers is concerned. Those training courses are not only very costly but the possibility of securing a return on investment is quite low.

PKPP is preparing projects for Consulting and Training Firms. The aim of the projects is, on the one hand, to create basis for the lifelong development of competences and qualifications for the members of the Confederation. The second purpose is to improve the offer of Training Firms for companies by precise identification of employers' needs.

KPP has been cooperating with the training centres and employment agencies on the development of the training projects which will meet companies' expectations. KPP has also been consulted on the creation of the 55+ governmental programme, which aims at increasing the employability of older workers.

PKPP carries out annual research on the SMEs sector. The aim of the research is to identify main obstacles in the functioning of medium and small firms. In the opinion of employers' organisations, in 2003 these were high labour costs, tax burdens, non-flexible labour law and administrative burdens. Moreover, according to the research, 35% of Polish SMEs do not invest in human capital. PKPP presented the results to the Association of Consulting Firms and on this basis the Association has created an

offer for entrepreneurs. The offer is focused on training and lifelong education of workers.

It should be emphasised that many entrepreneurs participate in a special programme called "First Job". The aim of the programme is to create the best opportunities for young workers who have just entered the labour market. Following the provisions of the 2004 labour market institutions law, entrepreneurs who have employed young people (under 25) are offered financial incentives (reduction of labour costs and lower tax).

Nevertheless, in the opinion of NSZZ "Solidarnosc" the participation of entrepreneurs in the special programme is still too poor, but the government is about to terminate it, so probably there will be no chance to improve the statistics anyway.

In the opinion of employers' organisations, companies which support business activity of young people have problems with high costs of employment and cannot afford full-time work places. Companies emphasise that the costs of work places are not linked to salaries, but to high social burdens. Therefore employers emphasise the crucial role of programmes which develop the ability to start business activity among young people.

Employment of young people needs a very close analysis as there is a mismatch between qualifications demand and supply on the labour market. Universities and the educational programme do not react to market demand.

Social partners support the promotion of entrepreneurship among young people as a way to fight the high unemployment rate in this age group.

All employers' organisations favour labour market flexibility. Increased mobility of the employees is a prerequisite to increase the employability of workers. Recent research conducted in Poland demonstrates that both employability and flexibility grow together with the level of education. Actions taken by social partners at the company level concentrate on training courses, promotion of flexible forms of employment and flexible working time.

NSZZ "Solidarnosc" agrees with labour market flexibility, but under the condition of adequate social security for employed and unemployed people. That is why the trade union last year took a broad initiative to bring back the pre-retirement scheme, but the civil project fell in Parliament.

Members of the Confederation of Polish Employers (Employers Association of Lower Silesia) have launched a programme aimed at assisting employees of restructured companies to find new job opportunities. The special exchange of information on employees available on the labour market between members of regional employers' organisations was launched.

2. Making work a real option for all

At national level

In the opinion of employers' organisations, liberalisation of the part-time work statute is under way in Poland, and it should take into account more flexible solutions introduced at the EU level. PKPP supports the introduction of more flexible

regulations, pointing out that such solutions will offer more opportunities for employees and employers to use part-time work as a useful form of employment. In the opinion of PKPP, it is necessary to obtain compromise between flexibility and social security for workers. For instance, PKPP has made a proposal for legal regulation of the self-employment issue. Self-employment is functioning in practice without legal provisions in the Labour Code. However, too often, changes in Labour Code provisions which are implied by harmonisation of national law with EU law, are obstacles in negotiations between employers and trade unions on the general direction of regulation in labour law.

On the other hand, in the trade union's opinion, the recent changes in the Labour Code are the effect of efforts by government and employers' organisations and go beyond the need for harmonisation of the provisions with EU regulations.

In the opinion of employers' organisations, in line with the agreement between social partners, it is also necessary to evaluate current provisions on part-time workers. The results of evaluation will be the basis for the future changes in the law on part-time workers.

KPP has participated in the ILO project aimed at combining of labour security with flexibility. However labour security must not be confused with job security.

For NSZZ "Solidarnosc", liberalisation of the part-time work statute has been closed by now and its result is provisions in the Labour Code and the above-mentioned law on temporary workers' employment.

Moreover social partners have proposed to change certain provisions of the Labour Code, especially those which result in unnecessary administrative burdens for employers. Additionally both PKPP and KPP have recommended simpler and more transparent provisions on working time and collective labour agreements. As regards the latter, in the trade union's opinion there is no such need because previous changes to legal provisions, promoted by employers, have not triggered positive results in terms of employment, but on the contrary have weakened the quality of collective bargaining processes.

The changes in the Labour Code, in the opinion of NSZZ "Solidarnosc", should include conditions of employment of temporary workers, which would give them proper social security.

Social partners support keeping the balance between life and work which is a win-win situation for both sides. There is still very low interest on both sides to employ people on a part-time basis. KPP has concentrated on promoting those forms of employment among its members. Social partners from the employers' side call for reduction of labour costs which would lead to an increase in the number of solutions such as job-sharing or part-time employment. Social partners are initiators of projects targeted on the improvement of employability. KPP is involved in projects targeted on young graduates, who are exposed to a high risk of unemployment. There are also joint projects of social partners, such as the Roundtable for European Integration initiative, which concentrates on implementation of training programmes in companies

The main reason for the low interest in part-time work, especially amongst workers, is very low level of salaries in Poland. As long as wages are at that minimum level, there will be no will to work on a part-time basis. NSZZ "Solidarnosc" constantly works towards an increase in minimum statutory pay which today is equal to about 35% of average monthly salary.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Better governance

Social partners' involvement in NAP employment

Social partners' consultation by government on draft NAP

Social partners were consulted by the government. There was a special plenary meeting of the Tripartite Commission. Moreover during the consultation process social partners have presented their opinions to the government in writing.

Impact of social partners' opinion on the draft NAP

Some of the recommendations were taken into account.

Social partners' involvement in drafting parts of NAP

Social partners were not involved in drafting parts of NAP. There were consultations with social partners on NAP as a whole document.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

The synchronisation has an impact on involvement. Social partners took into account the guidelines of EES during the NAP preparation process. Moreover, a new statute on the institutions of the labour market was prepared in the light of the EES and BEPG priorities.

National follow-up to Employment Task Force report recommendations

The recommendations were taken into account in the preparation of NAP. In the Action Plan there are following recommendations:

- reduce tax burdens for employees at the lower end of the wage scale by introducing tax-free wage;
- promoting self-employment, especially among young people, through preferential loans;
- liberalisation of provisions on part-time jobs;
- development of employment services which will have wider competence for screening demand and supply on the local labour market;
- increasing adaptability of SMEs sector through preferential credits and friendly environment for investments.

Portugal

Organisations

- Trade unions: UGT (General Workers Union) and CGTP-IN (General Confederation of Portuguese Workers), members of ETUC
- Employers: CIP (Confederation of Portuguese Industry), member of UNICE

Introduction

In 2004 the national macroeconomic context was still not favourable to employment. The slight and uncertain economic recovery that was seen was clearly insufficient for the necessary improvement in the labour market. In the third quarter the unemployment rate reached 6.8%, the highest figure since 1998.

The employment policy continues to be too dependent on both budget restrictions and a lack of policy coordination.

The recent political crises have not helped either. In December, after the decision by the President of the Portuguese Republic to dissolve the Parliament, the Government presented its own resignation and it is currently in a management situation until the general elections that will take place in February.

Social partners consider that the National Action Plan has proved itself incapable of responding in an efficient manner not only to the general increase in unemployment but also of solving some specific problems, such as long-term unemployment and unemployment among qualified workers.

Similarly, the NAP did not contribute in an efficient way to developing the necessary improvement in entrepreneurship or to anticipating companies' restructuring operations, namely concerning vocational training.

1. Increasing adaptability of workers and enterprises

At national level

a) Social Pact for Competitiveness and Employment

The negotiation process for the "Social Pact for Competitiveness and Employment" began in June 2003 and continued throughout 2004, in the Standing Committee for Social Dialogue. Social partners participated actively, both in discussions and by presenting concrete proposals.

During the process both Government and social partners have tried to obtain an agreement regarding a specific set of fairly relevant issues: wages policy, productivity increase, tax evasion, vocational and educational training, employment

policy, collective bargaining, occupational health and safety, innovation and bureaucracy. Social partners have involved themselves strongly in these negotiations, although the Government's proposals failed to meet the partners' objectives.

After one and a half years, no agreement has been reached. The Portuguese Government presented its resignation in December, which led to the ending of the tripartite negotiations.

However, in the last two months of 2004, Portuguese social partners (CGTP-IN, UGT, CAP, CCP, CIP and CTP) began the negotiations, among themselves, on a bilateral agreement aimed at injecting dynamism into collective bargaining (this bilateral agreement aimed at renewing collective bargaining will be signed on 7 January 2005).

b) Collective bargaining

Both social dialogue and collective bargaining are essential tools for an economic and social development policy.

In 2004, the collective bargaining movement shows that there have been difficulties in the normal process. In fact, until late November 2004, less than half of the collective work agreements had been published, and only 39% of workers were covered by collective agreements compared with the previous year, which shows a dragging situation concerning collective bargaining.

The revision of the collective bargaining's rules through the Labour Code has been made with the aim of ending negotiation blockages. Unfortunately there has not been much improvement concerning collective bargaining. Moreover, in 2004 there were further difficulties for collective bargaining, due to consequences that resulted from the entry into force of the Labour Code (in December of 2003) and from the economic crisis. During negotiations on the Social Pact, each social partner showed goodwill to overcome the difficulties and to improve collective bargaining.

We hope that in 2005 a visible improvement may be achieved. Both workers and employers are very committed to that objective.

Work conditions have also been affected by Public Administration inefficiency concerning publication of both minimal conditions regulations and extension regulations, which means that a large number of workers have not been comprised as far as working conditions regulation is concerned. Moreover, the Government has not respected the right to collective bargaining concerning public administration workers.

UGT, CGTP-IN and CIP have always considered that collective bargaining is the way to conciliate companies' and workers' interests.

However, social partners have different points of view concerning the Labour Code's consequences on collective bargaining.

Both CGTP-IN and UGT consider that the changes introduced by the Labour Code concerning collective bargaining are one of the main reasons for the serious decrease in the number of collective agreements published during 2004.

CGTP-IN and UGT regard as very negative aspects of the Labour Code the provisions concerning the disproportionate widening of employment flexibility rules (namely the ones regarding working time organisation), short-term contracts and mobility, as well as the possibility to put an end to collective agreements. Both confederations have always stressed that this last option could lead to a void in collective bargaining.

UGT and CGTP-IN also consider that the new legal possibility of individual agreements on such regimes may contribute to unbalance the desired equilibrium between companies' and workers' interests.

UGT and CGTP-IN consider, therefore, that some rules of the Labour Code should be altered.

CIP has a completely different opinion about this matter. The decrease in the number of collective agreements published during 2004 is not due to the Labour Code itself, but to a necessary, and somewhat difficult, adaptation to the new and very positive possibilities opened by the Code concerning collective bargaining.

In short, CIP considers that some rules of the Labour Code should be altered, in due course (the Code foresees its own revision from December 2007), but this rules are not the ones stressed by CGTP-IN and UGT.

There is an urgent need, for instance, to alter the dismissals regime, because it is the most restrictive and unacceptable regime of all EU member states.

CIP considers that the most significant change to increase adaptability was the introduction, foreseen in the Labour Code (since 1 December 2003), of the possibility for each party to put an end to collective agreements in force since the seventies or eighties, and to replace them by new agreements.

CIP believes that through collective bargaining it is possible, from now onwards, to adopt, for example, working time organisation and professional mobility regimes that are more suitable for the needs of companies and workers. These new regimes are very important to boost the competitiveness of Portuguese companies.

Despite the general framework, CGTP-IN has elaborated, as in previous years, reference clauses aiming at supporting the trade unions in dealing, through collective agreements, with certain issues, such as work and working time organisation, wages, short-term contracts, vocational training, gender equality, maternity and paternity leave, occupational health and safety, which have been presented in negotiations.

UGT concluded an elaboration process, which began in 2003, concerning a model contract, which was used as a reference for Collective Bargaining. A support tool for negotiation at sectoral and company level was therefore developed. This tool comprehends innovating clauses, which enable facing companies' adaptability's needs and workers' expectations, as well as changes that may occur due to the Labour Code. Despite difficulties in negotiating, the reference contract has been widely used, namely concerning working time adaptability.

CIP is in constant dialogue with its members associations, and following up, through seminars and meetings, developments in these matters in the various sectors of industry.

At sectoral level

The collective work agreement for the hotels sector in Madeira, which has been negotiated by FESAHT/CGTP-IN and ARESP, regulates working time organisation in this sector in the following manner: the daily work limit may be increased up to 2 hours, to a maximum of 180 hours per year, and the reference period is 4 months.

Another important collective agreement is the one in the electric and electronic equipment sector that has been signed between FETESE/ UGT and ANIMEE/ CIP. This agreement establishes special regulations regarding adaptability, namely a system of credits and debts and respective wages.

2. Making work a real option for all

At national level

From the set of reference clauses for collective bargaining that CGTP-IN has elaborated, those concerning equality, maternity and paternity are especially important.

Two examples: in case there is no equality between men and women regarding a job or a qualification level, priority should be given, in an equal requisite situation, to the less represented sex. We want also that either father or mother who has taken parental leave should have the right to attend vocational training, in case it is necessary to return to that job or to progress in the career.

UGT's model contract also includes several clauses on these issues. As for equality, our concerns were centred mainly on guaranteeing gender equality regarding both work and vocational training, reconciling work and family life (namely concerning holidays, child assistance leave, etc.), in an adequate career progression and with wage equality.

Also related to gender equality, UGT's Women's Commission has participated in/organised several initiatives and projects, namely seminars, along with trade unions and other social partners, in some EQUAL projects.

The above-referred contract has several clauses promoting opportunities' equality, directed namely to integration and to employment of disadvantaged workers, such as disabled and immigrant workers.

Examples: (i) the employer should give priority to the under-represented gender in the sector, taking account in the recruitment process of candidates under identical conditions and using objective criteria; (ii) the employer must build, whenever necessary, adequate access, as well as adapt labour tools in order that adequate work conditions are ensured; (iii) discriminatory, racist and xenophobic behaviour by the employer, considering every work relationship, are forbidden; retaliatory or persecutory actions or behaviour by the employer as a consequence of any complaint

or being sued by the worker, in order to investigate into the above-mentioned behaviour, are forbidden; workers may refuse to comply with orders or instructions, which are unquestionably based on discriminatory, racist or xenophobic motivation.

It is important to refer the IODO Project – *Equal Opportunities, Several Options*, within the compass of the Equal Initiative. CGTP-IN is a partner in this project, in the development process. The goal is to promote employment increase concerning people who are inserted in the labour market but face problems in keeping their jobs or in progressing in their careers. We consider also as a target group businessmen, entrepreneurs, self-employed, trade unionists, and other actors who may act as catalysts for employment.

Social partners continue to develop support activities to migrant workers, keeping specific structures operational to this effect.

At sectoral level

The collective work agreement concerning restaurants and beverages at national level, which has been signed between FESAHT/ CGTP-IN and ARESP, establishes that whenever a worker must assist a family member he may be exempted from being integrated in a new working time arrangement that prevents him from assisting his family member. The above-mentioned collective work agreement for the hotels sector in Madeira establishes exceptions to the working time adaptability regime. In case work and family life conciliation is jeopardised, the worker is exempted from working time adaptability. In the same agreement a non-discrimination gender clause has been introduced for the first time. This clause may be used whenever one gender is under-represented.

CGTP-IN has also presented, along with an employers' association, a candidacy to study the existence of indirect discrimination regarding collective bargaining in the hotels sector. The goal is to suggest methodologies which may fight that discrimination.

At regional level

Within the compass of CGTP-IN's intermezzo structures an important Project is on course - *City Inter-culture Project*, in which Lisbon Unions/CGTP-IN participates as a partner. It is a local intervention project aimed at valuing cultural diversity in the intervention area (some parishes in Lisbon city). Facilitating access to the labour market in the different local communities is one of the goals.

Social partners also participate in several structures both at regional and local level, aimed at developing these levels.

At company level

Within the compass of this recommendation in the Kok Report, CGTP-IN stresses the Project entitled *Acting for Equality* directed to gender equality at work. The project is being developed with other partner entities at national and international level, in 18 main companies in several sectors (food, road transportation, tourism, car manufacturing, textile, pottery, glass), and also among the self-employed. The project intends to develop positive actions in companies in order to fight all forms of

discrimination at work; to promote women's and men's inclusion in under-represented sectors and jobs; to revalue traditionally feminine jobs and to recognise competences; to integrate equality and motherhood and fatherhood rights as collective bargaining contents; to study work conditions, their dimension and effect on occupational diseases; to promote the introduction of the equality issue at work; to train in the equal opportunities area.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

On October 21 the following partners signed the Labour Platform Against AIDS Manifest: ILO, National Commission of Fight Against AIDS and all Social Partners (e.g. CIP, UGT and CGTP-IN). These partners recognise that both union and employer representatives may play a fundamental part regarding diminishing the epidemic's increase, by committing themselves to both respect and promote the principles which have been adopted by the United Nations' Agencies.

At regional level it is important to stress a project, which has been recently initiated in Setúbal town, which has been strongly affected by unemployment and by other difficulties concerning both development and social cohesion. PEDEPES – Strategic Plan to Develop the Setúbal Peninsula – comprises different entities (autarchies, unions' and employers' associations, among others) which are involved in elaborating a Plan aiming to create a new regional development model, as an intervention tool designed for the next 10 years both to reinforce economic competitiveness and to work as a lever to social cohesion. One of the structuring measures is the Employment Reinforcement and Entrepreneurial Ability Programme.

CGTP-IN is also developing a project on drug addiction prevention at work - *Euridice Project*. Besides prevention and intervention regarding alcohol and other drug addictions, the project aims at promoting workers' health and safety. The project acts at primary, secondary and tertiary intervention levels and it aims to promote healthy life and work habits, changing attitudes, risk behaviours and factors, preventing and intervening in alcohol and other drug addictions, increasing knowledge on substances use. We estimate that the project will comprise 6,000 workers in four companies in different sectors.

5. Better governance

Social partners' involvement in NAP employment

Social partners' consultation by government on draft NAP

Social partners were consulted. However, only in a later stage of the NAP drafting, and with a very short time for answers.

In fact, the social partners' consultation process on NAP 2004/2005 did not occur in the most efficient manner. Not much time was given to react to the Government's

proposal, which did not allow in-depth analyses or discussion. This fact was particularly negative considering the active ageing strategy, which was not discussed at all. On the whole, the partners' intervention was therefore small.

Unlike previous years there has not been a permanent joint monitoring of the NAP's implementation, which we consider negative. The possibilities for social partner to intervene were scarce.

Impact of social partners' opinion on the draft NAP

Although some social partners' proposals have been integrated in the document, many others were not.

Social partners' involvement in drafting parts of NAP

Social partners were invited to draft one Annex of the NAP, designated as "Contributions of Social Partners". In this Annex Social partners described their main initiatives to implement the employment guidelines.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

The synchronisation of BPEG and EES had little or no impact at all on the involvement of social partners in preparation of NAP.

In Portugal, social partners are not involved in BEPG implementation.

National follow-up activities to Employment Task Force report recommendations

The recommendations for Portugal were monitored unilaterally by the Government. This monitoring is part of the new NAP document 2004/2005, but it has not been discussed. As we said before, social partners have only been asked to provide information about the initiatives that have been developed within the compass of guideline implementation, which has been done and will include the present NAP as an annex.

Slovenia

Organizations

- Association of Free Trade Unions of Slovenia, member of ETUC
- Association of Employers of Slovenia, member of UNICE

1. Increasing adaptability of workers and enterprises

The main orientation of employment policy was to encourage active forms of increasing the level of employment in the private sector and to solve the problem of unemployment. More than 40% of budget funds were earmarked for the implementation of active employment-policy measures. Employment policy has thus introduced a comprehensive approach to reduce unemployment and encourage employment, for which active and harmonised cooperation between social partners and the state at the tripartite level was necessary. The latter was realised above all within the Administrative Board of the national Employment Office.

Social partners pursued the following strategic objectives within the national programme for the labour market and employment:

- Increase employability by raising the level of education of the active population as well as its qualifications,
- Decrease structural discrepancies,
- Ensure inclusion in active programmes of all young unemployed who were not able to find a new job within six months, respectively for all others who could not find an employment within twelve months; women; disabled persons and the long-term unemployed,
- Lower the regional discrepancies on the labour market,
- Further development of social partnership in the area of providing solutions for the unemployment problem.

2. Making work a real option for all

We have thus within the limits of our competencies and possibilities and in accordance with the "National programme for the labour market and employment" focused our activities to attain priority objectives. We estimate (concrete information will be known at the end of April 2005) that we have achieved the following in 2004:

- Growth of employment, which on average exceeded 0.8 % annually at an accelerated level of economic growth. This has enabled a reduction in the level of unemployment to around 6.4%, according to the international methodology respectively registered level to around 10.7% by the end of 2004,
- We have decreased the size of long-term unemployment, which has gradually fallen to around 42% by the end of 2004.

Social partners tried to carry out the following priority objectives in individual areas of implementation of employment policy:

- Developing the culture of lifelong learning through collective agreements,
- We have risen the educational level and lowered the structural discrepancies on the labour market through education,
- Promoted vocational training in the dual system,
- Improved conditions for the creation of workplaces in companies,
- We have been a partner in assuring sustainable development and the creation of workplaces within employment initiatives,
- Prevention of undeclared work,
- Increase the flexibility and competitiveness of the economy (modernising work organisation, investments in the development of human resources),
- Ensuring equal accessibility of the labour market,
- Providing equal opportunities (help for the long-term unemployed in their reintegration into the labour market, measures to promote the integration of older and disabled persons as well as other groups of less employable unemployed into the labour market, integration of the Romany population and gender equality).

Social partners warned the government constantly about excessive fiscal burdens on labour in comparison with capital. Since no changes were introduced in this area, social partners fear that this will have a negative impact on employment in the future.

3. Investing in human capital

We have ensured conditions for technical, trade union and general training of all employees in collective agreements on the sector and enterprise level. As one of the measures to promote training, minimum worker rights were agreed for paid absence during the training times.

Social partners proposed the introduction of the institute of an independent advocate of apprentice rights as a measure to accelerate vocational training.

Social partners have cooperated actively in the formation of the Vocational Rehabilitation and Employment of Disabled Persons Act, which was adopted in 2004. The direct effects of this act are the introduction of a system of quotas for employment of the disabled and the obligation of the state and employers to give the disabled the chance to work.

4. Other initiatives

Employer organisations have actively cooperated in the realisation of policies to increase the level of employment, promote entrepreneurship, encouraging the adaptability of companies and individuals as well as providing equal opportunities for all. They have thus encouraged their members to:

- Carry out adopted policies in the national programme,
- To assert and encourage lifelong learning,
- Increase productivity by increasing investments into the development of human resources,
- Timely announcement of the need for new workers,

- Development of workplaces,
- Developing a modernised work organisation,
- Respect the valid regulation as regards possibilities for temporary employment and to prevent undeclared work as well as abuses of the readiness of unemployed workers to accept an employment under the conditions, which are not in accordance with the regulation,
- Shaping more flexible forms of working hours.

Trade union organisations have through their representatives in companies encouraged and motivated workers to:

- Participate in programs and policies, adopted in the national programme,
- Lifelong learning,
- Improvement and training,
- Training for skill shortage occupations,
- Within their competencies and with their personnel, professional, organisational and if necessary also financial measures, they have supported faster integration of unemployed into appropriate educational programmes, first of all in regions, where development and employment opportunities are limited, including the further development of work funds.

Social partners have also strived for a successful modernisation of work organisation.

5. Better Governance

Social partners' involvement in NAP employment

The National Plan of Employment was discussed at the Administrative board of the national Employment Office and at the Economic and Social Council. Transferred comments were mostly taken into consideration by the competent ministry. Social partners were not actively involved in the preparation of the National Plan of Employment.

Synchronisation of Broad Economic Policy Guidelines and the European Employment Strategy was in principle considered in the preparation of the National Plan of Employment.

National follow-up activities to the Employment Task Force report recommendations

Representatives of employers and of trade unions in Slovenia were not involved in the Employment Task Force Report.

Spain

Organisations

- Trade unions: CC.OO.(Trade Union Confederation of Workers Commissions); UGT (General Union of Workers), members of ETUC
- Employers: CEOE (Confederation of Spanish employers), member of UNICE; CEPYME (Confederation of Spanish SMEs), member of UEAPME

1. Increasing adaptability of workers and enterprises

At national level

In 2004, the trade-union organisations UGT and Comisiones Obreras (CCOO), together with the employer organisations CEOE and CEPYME, reaffirmed the criteria, orientations and recommendations they signed up to in 2003, in the Interconfederal Agreement on Collective Bargaining (ANC), whose objective is to teach negotiators of collective agreements, at national, regional, provincial or company level, common negotiating criteria.

The objective of this agreement, in the framework of the recommendation "Increasing adaptability of workers and enterprises" was to help to maintain a moderate-growth pay policy, making it possible to adapt to the economic context, and to stimulate stability in employment by deploying a company's internal flexibility mechanisms, which is clearly preferable to external adaptations, improvement of management of working time in systems for classification and pay, and of development of continuing training for workers, among other things.

In addition, in July the employer organisations CEOE and CEPyME and the trade-union organisations CC.OO. and UGT, jointly sent the government the "Declaration for social dialogue 2004: Competitiveness, Stability in Employment and Social Cohesion", whose objective is to allow Spanish society to achieve higher levels of economic development, quality of employment, social well-being, territorial cohesion and environmental sustainability.

The issues that are being or will be discussed in the social dialogue, and which will make a specific contribution to increasing adaptability of workers and enterprises, include: insufficient volume of employment and the high level of temporary work, integration of women in the world of work, the worker training model, industrial and environment policy, and investments in research, development and innovation.

At sectoral level

Sectoral collective bargaining is progressively – but unevenly – incorporating the criteria, orientations and recommendations for "increasing adaptability of workers and enterprises", defined in the 2003 ANC and renewed in ANC 2004.

At regional level

Collective bargaining at provincial level is also incorporating the aspects described in the previous point (sectoral level).

In addition, the majority of the Autonomous Communities are implementing social dialogue or concertation processes addressing the aspects linked to "increasing adaptability of workers and enterprises", e.g. stimulation of employment and stability, promotion of vocational training, and investment in research and innovation.

At company level

The comments on the sectoral and regional level are also applicable at the company level.

2. Making work a real option for all

At national level

The Agreement on Collective Bargaining 2003, renewed in 2004, includes orientations, criteria and recommendations on issues such as equal treatment in employment and equal opportunity between men and women, with a view to "making work a real option for all".

Trade union and employer organisations are presently carrying out an analysis of the current situation regarding employment of disabled persons and obstacles to their integration the world of work, in order to compile a compendium of good practices in terms of this social group's access to employment as well as the role of collective bargaining in this area, and to disseminate this compendium.

In October 2004, the social partners, in collaboration with the government, contributed to regulatory implementation of the law on foreigners in force in Spain, with a view to improving the instruments regulating migratory flows, access of immigrant workers to legal employment and lastly, combating illegal work.

The social dialogue that started last July also covers issues which should contribute to "making work a real option for all". These include an increase in employment and in the participation rate (young people, older workers, immigrants, women and the disabled), employment and equality of opportunity between men and women, and active employment policies and public employment services.

At sectoral level

Sectoral collective bargaining is progressively – but unevenly – incorporating the criteria, orientations and recommendations for "increasing adaptability of workers and enterprises", defined in the 2003 ANC and renewed in ANC 2004.

At regional level

Collective bargaining at provincial level is also incorporating the aspects described in the previous point (sectoral level).

In addition, the majority of the Autonomous Communities are implementing social dialogue or concertation processes addressing the aspects linked to this recommendation for "making work a real option for all" and have prepared measures targeting specific groups (women, young people, immigrants, workers aged over 45, etc.) with a view to promoting their integration in the world of work on a sustainable basis.

At company level

The comments on the sectoral and regional level are also applicable at the company level.

3. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

Nevertheless, we would like to stress the following.

Development of the system of qualifications foreseen in 2003 has led to publication of the 97 preliminary qualifications in the National Catalogue, including the associated modular training.

Through their sectoral organisations, the social partners have participated in work to define the content of qualifications. Identification of professional profiles with the associated training will facilitate adaptation of the various training offers (initial training and training targeting workers).

Among other objectives, more flexible modular training should facilitate greater aptitude for work of school dropouts and possibly their reintegration in the education system.

4. Other initiatives

We have pursued work on collective bargaining (content and structure) as well as the vocational training system for workers in work.

5. Better governance

Social partners' involvement in NAP employment

Consultation of social partners' by government on draft NAP

Participation of the social partners was limited to the last phase of preparation of the final document, but it is important to note that some of the measures contained in NEP Employment 2004 were the object of specific consultations during the year. Consultation on the Plan as a whole was insufficient insofar as there was a shortage of information and time, whether it be to follow up the measures included in NAP Employment 2003 or the possibility of making improvement and adding comments in NAP Employment 2004.

Trade union and employer organisations renew their call for a stable and regular method with thematic order for following the process of preparing, implementing and evaluating the NAP Employment.

Impact of social partners' opinion on draft NAP

Only in part, in an inadequate manner since, as pointed out above, the method is not a good one.

Social partners' involvement in drafting parts of NAP

We were involved. We provided a description of the measures implemented by trade union and employer organisations in relation to guidelines 3 and 6 and the part devoted to Participation and Management. In addition, as in previous years, CC.OO. and UGT prepared and submitted to the government a set of proposals and measures corresponding to each of the ten guidelines, as their contribution to preparation of NAP Employment 2004. For their part, CEOE and CEPYME submitted their own proposals and ideas. They are all included in annex 7 of the text for NAP Employment.

Synchronisation of the BEPGs and the EES: the impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

There was no impact in terms of involvement of the social partners and it does not appear that there will be greater coordination between the various bodies and institutions for implementation of NAP Employment.

National follow-up activities to Employment Task Force report recommendations

The social partners were not involved in follow-up at national level of the recommendations contained in the Employment Task Force report.

Sweden

Organisations:

- Trade Unions: LO (Swedish Trade Union Confederation), TCO (Swedish Confederation of Professional Employees) and SACO (Swedish Confederation of Professional Associations), members of ETUC
- Employers: Swedish enterprise (Confederation of Swedish Enterprise), member of UNICE; Lf (Swedish Federation of County Councils), SK (Swedish Association of Local Authorities), members of CEEP

1. Increasing adaptability of workers and enterprises

At national level

The social partners deal with many issues within the scope of collective agreements, such as salary, holiday, the length of working hours and their configuration. This makes it possible to adapt regulation to needs in a particular sector or at a specific workplace, which affords flexibility in business operations, while employees' needs for security and predictability are satisfied.

The social partners⁴ maintain that issues of working time, concerning its duration and the calculation period for average working time, are central in the partners' negotiations. As in the 2001 round of collective bargaining, there are various models for reducing working time in 2004. For roughly 70% of employees, the outcome in 2004 has entailed a reduction in working time, mainly through allocation to a working-time account or similar, equivalent fund. The individual can opt to withdraw the deposited funds as compensatory leave, an extra pension premium or a cash refund.

The social partners⁵ also state that, during the collective bargaining of 2004 in the private sector, the various models for working-time reduction have persisted. In industry, for example, 0.5% of wage costs in 2004–2007 have been allocated for this purpose. It should also be noted that the parties in some areas have agreed to strive for reduced use of the allocation as leave. Most agreements clear the way for local partners to reach agreements on reduced working time and on flexibility in the disposition of working time, both for companies and for employees.

The social partners⁶ point out that in the collective-bargaining round of 2004, too, they have paid attention to efforts to improve the work environment in a range of bargaining sectors. In the private sector, further regulations have been agreed. In many industries, local development of cooperation regarding the work environment has begun. The background to the partners' active assumption of responsibility for these issues includes, in particular, the large number of sickness absentees and the consequent costs to society, businesses and individuals.

⁴ The Confederation of Swedish Enterprise, Swedish Trade Union Confederation (LO), Confederation of Professional Employees (TCO) and Swedish Confederation of Professional Associations (SACO).

⁵ The Confederation of Swedish Enterprise, LO, TCO and SACO.

⁶ The Confederation of Swedish Enterprise, LO, TCO and SACO.

2. Making work a real option for all

Information not available.

3. Investing in human capital

The social partners' initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

Guideline 7. Promote integration of disadvantaged groups in the labour market and combat discrimination

...The Government intends, during 2005, to allocate SEK 50 million for the introduction of 'have-a-go' places in the Work Experience scheme of the labour-market policy programme, and also a simple form of workplace assessment of vocational skills. These measures will be implemented in consultation with the central organisations on the labour market and the National Commission on Validation. The Government also intends to support the central labour-market organisations' dissemination of information about legislation against ethnic discrimination and employers' scope to use existing labour-market policy instruments more effectively to facilitate their skills provision and help enhance immigrants' job opportunities.⁷...

In spring 2003 the Confederation of Swedish Enterprise, Federation of Swedish County Councils, Swedish Trade Union Confederation (LO), Confederation of Professional Employees (TCO) and Swedish Confederation of Professional Associations (SACO) signed individual cooperation agreements with the Swedish Integration Board to undertake measures relating to integration.⁸

The social partners⁹ cite the Labour Market Integration Council¹⁰, which was formed to support, monitor and develop work for integration and against ethnic discrimination and harassment at workplaces. The Council supports companies, public agencies, organisations and individuals who help to promote integration in the world of work through practical efforts and sound initiatives.

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⁷ The foundation of these proposals consists in two documents. One is the report *Öppna dörrar – Sänkta trösklar* ('Open Doors — Lowered Thresholds'), issued in spring 2004 by a joint working group of representatives from the Government Offices and the Confederation of Swedish Enterprise. The other is a declaration of intent concerning better integration, *Gemensam utmaning – gemensamt ansvar* ('Meeting the Joint Challenge Together'), agreed by the Government, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO in June 2004.

⁸ Contribution from the Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

⁹ The Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

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5. Better governance

Social partners' involvement in NAP employment

Social partners' consultation on draft NAP

The government asked social partners' opinion on the draft NAP. There has been a long tradition of social partners' participation in the work with the Swedish NAP, addressing each guideline since 1998. The social partners have contributed in their own sections, which have been edited slightly to conform to the structure of the NAP.

The social partners have formed a working group, which were in contact with the ministry of Finance and the ministry of Industry. The social partners have contributed jointly or by each organisation to Sweden's Action Plan for Employment 2004.

Impact of social partners' opinion on the draft NAP

The government took social partners opinion on draft NAP into account.

Social partners' involvement in drafting part of NAP

Guideline 2. Job creation and entrepreneurship

Promotion of entrepreneurship

Young Enterprise is represented in all the Swedish counties and at some 300 upper secondary schools nationwide. Jointly with 1,000 teachers and 2,500 advisers from the business sector, 10,000 young people are running their own YE companies every year. Since the start in 1980, more than 100,000 young people have attended courses under YE auspices.¹⁴

¹¹ Contribution from the Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

¹² The Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

¹³ The Labour Market Integration Council comprises the Confederation of Swedish Enterprise, Swedish Agency for Government Employers, Federation of Swedish County Councils, Swedish Association of Local Authorities, Federation of Social Insurance Offices, LO, TCO and SACO.

¹⁴ Contribution from the Confederation of Swedish Enterprise.

Guideline 3. Address change and promote adaptability and mobility in the labour market

Collective agreements, social dialogue and companies' social responsibility

...

The social partners¹⁵ maintain that issues of working time, concerning its duration and the calculation period for average working time, are central in the partners' negotiations. As in the 2001 round of collective bargaining, there are various models for reducing working time in 2004. For roughly 70% of employees, the outcome in 2004 has entailed a reduction in working time, mainly through allocation to a working-time account or similar, equivalent fund. The individual can opt to withdraw the deposited funds as compensatory leave, an extra pension premium or a cash refund.

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The work environment and health at work

The social partners¹⁷ point out that in the collective-bargaining round of 2004, too, they have paid attention to efforts to improve the work environment in a range of bargaining sectors. In the private sector, further regulations have been agreed. In many industries, local development of cooperation regarding the work environment has begun. The background to the partners' active assumption of responsibility for these issues includes, in particular, the large number of sickness absentees and the consequent costs to society, businesses and individuals.

Restructuring

The social partners¹⁸ emphasise the labour-market restructuring agreements. These came into being back in the 1970s; since then, they have been signed in a range of areas — relating to central-government staff and to salaried employees in the private sector, for example. In 2004, the Confederation of Swedish Enterprise and the Swedish Trade Union Confederation (LO) concluded an agreement concerning a form of defined-contribution restructuring insurance for manual workers. The purpose of this insurance is to mitigate adjustment problems encountered by employees and companies owing to dismissal due to shortage of work. The agreement adopted by the trade unions and employers' associations includes, first, a form of adjustment support for people dismissed owing to a shortage of work and, second, disbursement of a lump sum on termination of the employment. The adjustment support applies to dismissals due to shortage of work from 1 September 2004, and is aimed at making it easier for a dismissed person to find a new job by means of individualised

¹⁵ The Confederation of Swedish Enterprise, Swedish Trade Union Confederation (LO), Confederation of Professional Employees (TCO) and Swedish Confederation of Professional Associations (SACO).

¹⁶ The Confederation of Swedish Enterprise, LO, TCO and SACO.

¹⁷ The Confederation of Swedish Enterprise, LO, TCO and SACO.

¹⁸ The Confederation of Swedish Enterprise and LO.

support. The portion affording cash compensation on termination of employment is a radically modified form of severance-grant insurance that will enter into force on 1 April 2005.

Guideline 4. Promote development of human capital and lifelong learning

The social partners¹⁹ view skills development favourably for several reasons. Notable among these are the facts that it paves the way for people to meet stiff competition, makes them more employable and secure, affords the chance of a steady increase in pay and helps to enhance gender equality. It is important to note that skills development increasingly takes place by employees solving problems that arise in their work. Collective agreements on skills development provide ample scope for local agreement. When it comes to funding, various arrangements have been tried in a range of agreements, depending on needs and conditions in the sector concerned. In some cases, the employer defrays the costs; in others, they are shared by the employer and employee; and in yet others the funds are reserved in special accounts. The trade union partners cite Individual Learning Accounts (IKS) as a key measure.

The partners²⁰ ambition is to encourage lifelong learning by underlining the various roles of the state, the employer and the individual, and responsibility for the same. Priority areas may be identifying and foreseeing skills and qualifications needed at various levels; recognising and validating skills and qualifications; and providing information, support and guidance.

The Swedish partners²¹ issued a joint reply to the initial follow-up of the agreement at EU level in 2003. During 2004, a second follow-up has been conducted.

Within the framework of the European Social Fund's Objective 3 programme, the support provided includes skills development of employees. From the start in October 2000, nearly 920,000 people — just over 54% women and nearly 46% men — have taken part in approved projects.

The Swedish ESF Council states that more than 400,000 employees at small and medium-sized workplaces have devised plans to improve skills with financial support from the *Växtkraft* ('Growing Power') programme in Objective 3.²²

The trade-union partners²³ are urging all participants to steer the use of the Structural Funds, and the European Social Fund (ESF) in particular, to provide greater stimulation to develop initiatives and innovative thinking about lifelong learning.

¹⁹ The Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

²⁰ The Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

²¹ The Confederation of Swedish Enterprise, Federation of Private Enterprises, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

²² The Swedish ESF Council for the *Växtkraft* project, Objective 3.

²³ LO, TCO and SACO.

Guideline 5. Increase labour supply and promote active ageing

Increasing older workers' labour supply

The social partners²⁴ wish to help in raising the actual retirement age. To this end, it is important for agreements on skills development to offer equivalent scope for employees' training and development, and for them to be applied accordingly at individual workplaces. Opportunities for changing career and occupation should be developed for people who work in mentally and physically demanding occupations where working up to the age of 65 is not normally an option. As an alternative to early retirement, flexible forms of employment, including forms of mentorship, should be developed for older workers.

Guideline 6. Gender equality

Employment

The trade-union partners²⁵ state that they have taken the initiative for their own projects and research surveys concerning wage trends and the gender gap in wages, with a view to counteracting wage discrimination.

The trade unions²⁶ have a common interest in helping to bring about a less gender-segregated labour market. One key task in this connection that the trade-union partners have focused on is to monitor and elucidate development in this area by, for example, drawing up factual documentation.

Scope for women and men to attain a work/life balance

The social partners²⁷ consider it highly important, for companies and their employees alike, for individuals to be able to achieve a work/life balance. During the collective bargaining of 2001, the partners in some sectors introduced measures to make it easier for both female and male employees to combine parenthood with work. Some sectoral agreements in both the private and the public sector afford topping-up of parental insurance for portions of pay above the income ceiling in national parental insurance. Within the sectoral agreements, development of conditions for active parenthood is continuing.

Guideline 7. Promote integration of disadvantaged groups in the labour market and combat discrimination

Immigrants' employment and integration policy

The Government intends, during 2005, to allocate SEK 50 million for the introduction of 'have-a-go' places in the Work Experience scheme of the labour-market policy programme, and also a simple form of workplace assessment of vocational skills. These measures will be implemented in consultation with the central organisations

²⁴ The Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

²⁵ LO, TCO and SACO.

²⁶ LO, TCO and SACO.

²⁷ The Confederation of Swedish Enterprise, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO.

on the labour market and the National Commission on Validation. The Government also intends to support the central labour-market organisations' dissemination of information about legislation against ethnic discrimination and employers' scope to use existing labour-market policy instruments more effectively to facilitate their skills provision and help enhance immigrants' job opportunities.²⁸

In spring 2003 the Confederation of Swedish Enterprise, Federation of Swedish County Councils, Swedish Trade Union Confederation (LO), Confederation of Professional Employees (TCO) and Swedish Confederation of Professional Associations (SACO) signed individual cooperation agreements with the Swedish Integration Board to undertake measures relating to integration.²⁹

The social partners³⁰ cite the Labour Market Integration Council³¹, which was formed to support, monitor and develop work for integration and against ethnic discrimination and harassment at workplaces. The Council fosters companies, public agencies, organisations and individuals who help to promote integration in the world of work through practical efforts and sound initiatives.

Guideline 9. Transform undeclared work into regular employment

The Swedish Trade Union Confederation (LO) cites its project aimed at making the labour market fairer, with uniform rights and obligations for all, and also its ongoing active work on issues of financial crime in cooperation with its member unions.³²

Guideline 10. Address regional employment disparities

Other measures

The Swedish Association of Local Authorities and the Federation of Swedish County Councils cite their joint interest in acting regionally and locally for employment, and are working actively for intensified joint efforts by the social partners on the labour market. The social partners have the task of strengthening the public employment offices' role at all levels with respect to finding local employment opportunities and improving the functioning of the local labour markets. The Swedish Association of Local Authorities and a number of municipalities, individually and within segments of local labour markets, have devised forms of developing local action plans to boost employment locally.³³

²⁸ The foundation of these proposals consists in two documents. One is the report *Öppna dörrar – Sänkta trösklar* ('Open Doors — Lowered Thresholds'), issued in spring 2004 by a joint working group of representatives from the Government Offices and the Confederation of Swedish Enterprise. The other is a declaration of intent concerning better integration, *Gemensam utmaning – gemensamt ansvar* ('Meeting the Joint Challenge Together'), agreed by the Government, Swedish Association of Local Authorities, Federation of Swedish County Councils, LO, TCO and SACO in June 2004.

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³¹ The Labour Market Integration Council comprises the Confederation of Swedish Enterprise, Swedish Agency for Government Employers, Federation of Swedish County Councils, Swedish Association of Local Authorities, Federation of Social Insurance Offices, LO, TCO and SACO.

³² Contribution from LO.

³³ Contribution from the Swedish Association of Local Authorities and Federation of Swedish County Councils.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment(and in the implementation of BEPGs

No impact.

National follow-up activities to Employment Task Force report recommendations

We have not been involved in the follow-up activities. The department of Industry will inform the social partners in Sweden at a meeting on the 15th of December 2005

United Kingdom

Organisations

- Trade unions: TUC (Trade Union Congress), member of ETUC
- Employers: CBI (Confederation of British Industry) member of UNICE, FPB (Forum of Private Business), member of UEAPME; the UK section of CEEP

1. Increasing adaptability of workers and enterprises

At national level

The recommendations for the United Kingdom on worker and enterprise adaptability focused on ensuring that wage developments do not exceed productivity developments. The CBI and TUC have acknowledged the need to improve the productivity of British employees and enterprises. The key area in this regard has been generating employee skills, which all stakeholders agree are currently a problem as a disappointingly large proportion of British workers – one in five – lack basic employment skills such as adequate literacy and numeracy.

The social partners have provided input to the Tomlinson Review on 14-19 Education, and the FPB is a member of the Technical Steering Group of the Centres of Vocational Excellence (CoVEs). The FPB also represents UNICE/UEAPME on Working Group B of DG Education to recommend national policies on the enhancement of Entrepreneurship Education, as well as providing advice to the National Council for Graduate Entrepreneurship.

As the UK does not work through institutional social dialogue arrangements, the CBI, the FPB, TUC and CEEP UK tend to agree on areas of common ground and cooperate on them in co-operation with FPB on issues specific to SMEs. The aim of these processes is to deliver national-level recommendations that both sides can endorse. The CBI and TUC have little control over wage developments in the private sector, as national and sectoral level collective bargaining is not extensive. All sides have influence and input into many government-sponsored bodies, however. In 2004, improving employee skill levels has been the key focus for the CBI and TUC in this regard. The CBI and TUC have worked with Government, as part of the Skills Alliance, and in several other bodies, to develop targets and a framework for reform. The issues covered in this will be included in full in the third follow-up report on the framework of actions, but it is appropriate to mention these actions here as they relate directly to solving the UK's key productivity challenge.

The CBI has carried out a skills project during 2004 which has assessed the situation in the United Kingdom. The TUC offered guidance to the CBI team on the project, including examples of areas where union involvement had helped to develop the skills of workers.

Wage developments have remained at a reasonable level in 2004; the trend has been steady for a number of years. The only cross-sectoral national-level wage tool is the National Minimum Wage, the level of which is based on recommendations from the Low Pay Commission (LPC). Employers and unions are represented on the LPC

and the CBI, the FPB and TUC offer evidence to this body. To date, the LPC's recommendations have increased the minimum wage from £3.60 at introduction in 1999 to £4.85 from October 2004. The CBI, the FPB and TUC are involved in monitoring the effect of these increases and are committed to the wage being set at a sustainable level.

In the public sector, nationally negotiated framework agreements are still the norm and there has been an increasing prevalence of three-year pay deals.

At sectoral level

The CBI enjoys excellent relations with sectoral and trade association members. Regular consultations have taken place so that CBI national level lobbying and work with the TUC and CEEP UK reflects the priorities of members from various sectors. We have also consulted sectoral members on issues such as pensions, working time and immigration in order that the CBI's national-level activity fully reflects their concerns.

The CBI and TUC have both been invited to serve on the new Manufacturing Forum, designed to enhance the future success of the UK's manufacturing industry. The TUC Manufacturing Task Force has promoted issues such as skills, innovation, and intelligent public procurement, all of which could increase the success of the sector.

A Public Services Forum, chaired by a Government Minister, has been established at the end of 2003 to promote improved dialogue between unions and government in the public services around reform. The forum brings together high-level union officials and employer representatives from the leading departments that deliver public services, such as Health, Education, Work and Pensions and the Home Office. The forum has debated strategic issues, including union and employee involvement; recruitment and retention; pay and reward, public-sector pension reform and the efficiency review.

The CBI has successfully established a new Public Services Directorate that is further developing business's contribution to the debate over public-service reform. The directorate's employment work stream has helped to raise the quality of the private sector's engagement with Government and the TUC, particularly in areas where public sector staff are transferred into a public-private partnership.

Skills development is at the heart of a three-year pay deal signed for local authorities in England and Wales. The deal includes an agreed framework on training and development. It calls upon local authorities to develop local 'Workforce Development Plans' linked to their service delivery plans and strategic objectives. Training and development provision should be shaped to local requirements and take account of the full range of learning methods, allowing access to learning for all employees. Employees attending required and agreed training are entitled to their normal earnings and payment of fees and other expenses arising. Authorities are asked to establish local partnership arrangements, including recognised unions, to develop workforce development plans.

The social partners have continued to be involved with the Employer Training Pilots programme – offering free training in basic and level 2 skills for those with no or low qualifications – and the development of a national scheme based on the pilots. To

date, around 14,500 employers and 100,000 learners have already signed up. Seventy percent of firms involved employ less than 50 staff.

The modernisation of the workforce strategy in the UK National Health Service is encapsulated in the programme "Agenda for Change" and the skills escalator which aims to encourage the continuous development of skills linked to a progressive wage structure. This includes the development of new skills profiles and pathways towards attaining them. This strategy is implemented at individual Trust level.

The CBI and TUC have also been involved in the development of Sector Skills Councils, which will begin launching Sector Skills Agreements in early 2005. At local-authority level, where collective wage bargaining still predominates, a wage deal linked to learning and development was concluded in the summer of 2004. Where sectoral bargaining exists (largely in the public sector), these productivity or skills development deals are common and help to achieve the aim of tying wages to productivity.

At regional level

The CBI and TUC have regional structures, and regularly feed back developments to members via Regional Councils and other bodies. Agreements between the Government, TUC and CBI on the implementation of Directives are communicated to members by this means. These bodies, together with FPB, also provide a tool for monitoring joint initiatives, such as the agreement on telework, which was launched in 2003. CBI and TUC regions are involved in RDAs and regional learning and skills councils, which are seeking to improve local labour-market productivity via upskilling. The TUC has submitted evidence to a House of Commons Treasury Committee Inquiry into Regional Productivity, focusing on the role that companies and unions have played in promoting social partnerships at the regional level and discussing evidence that such partnerships increase productivity performance.

The CBI has been involved with running regional Information and Consultation seminars to introduce employers to their new responsibilities.

At company level

In the private-sector, key wage and productivity developments take place at company level. The relaunch of the Investors in People standard, an award that employers can achieve if they demonstrate their commitment to upskilling, involved large-scale involvement from the TUC and CBI, for instance.

There are now over 7,500 Union Learning Reps actively engaged in the learning agenda in workplaces and the projection is that there will be 22,000 by the end of this decade. The role of ULRs should be recognised as a major element in the delivery of the skills agenda by businesses, skills providers and Regional Development Agencies.

2. Making work a real option for all

At national level

The CBI and the TUC welcome their role in supporting efforts to improve employability and the work options available to UK residents.

The CBI and TUC have contributed to the work of the Disability Employment Advisory Committee, a number of meetings of which were held during the year. The CBI and TUC are committed to supporting the work of this group, which has sought to establish a strategy to allow the UK to comply with the recommendation that those claiming disability benefits receive specialised and focused support to ease their path into the labour market. Employers and the TUC are also represented on the Disability Rights Commission, which works to promote equal rights for disabled people.

The Government receives policy advice on the New Deals and other active labour market programmes from the National Employment Panel, an employer-led organisation with minority representation for unions. The CBI and the TUC have been strong supporters of the Government's active labour market policies.

The CBI and TUC are members of the DWP's Age Partnership Group with employer and trade union organisations involvement in charge with disseminating information on age regulations to every employer in the UK from 2005.

The CBI and TUC are represented as members of the Government's Ethnic Minorities Employment Task Force. We have contributed to the annual report and to their strategic implementation of the Cabinet Office report's (Ethnic Minorities and the Labour Market, 2003) recommendations that ethnic minorities 'should no longer face disproportionate barriers to accessing the labour market. This work has helped produce a CBI-TUC joint statement on 'Ethnic Minority under-employment' which was launched at the EME Task Force's 'One Year On' event in November 2004. The FPB is currently participating in a BITC project on minorities.

The CBI, the FPB, TUC and CEEP UK have been represented in the gender social dialogue at European level. The FPB holds a negotiating seat on behalf of UEAPME in this dialogue. The CBI and TUC have also met with each other and other interested parties to consider the case for simplifying the regulations for maternity leave.

The CBI and TUC are represented, along with others, on the Women and Work Commission, which will be taking evidence from interested parties during 2005. The Commission will investigate the causes of the gender pay gap and make recommendations to the Government. Thus, the social partners are fully engaged with the recommendation advising the UK to address this issue.

The TUC and CBI have been involved in Government advisory groups on the implementation of new employment regulations. They both also sit on the ACAS council. ACAS is involved in the provision of advice relating to discrimination legislation, and runs the Employment Tribunal system, which is the mechanism by which discrimination laws are enforced. The CBI and TUC support both of these activities. The FPB ran a series of seminars to provide guidance to SME employers on Dispute Resolution.

At sectoral level

Employers in local government and the National Health Service have worked with their respective trade union counterparts to develop job evaluation systems aimed at eliminating any remaining anomalies in the pay received by male and female staff. In local government this system is being adapted and implemented at local level to meet local requirements.

In local government, part-time work is the fastest growing form of employment, particularly of women. This reflects, in part, the understanding that work-life balance is in the interest of the employer as well as the employee. In addition, there are an increasing number of examples where management are getting service delivery "outside" hours and employees are getting working patterns which better fit their needs.

Public sector employers, under the umbrella of CEEP UK, are increasingly engaging with the challenges of an ageing workforce. Following a European seminar on this subject in March 2004, CEEP UK will be managing a European funded project aimed at drawing up guidance for public sector employers on this important subject in 2005/2006.

3. Investing in human capital

The initiatives relating to lifelong learning are included in the third follow-up report on the framework of actions and are therefore excluded from this report.

4. Other initiatives

Both the CBI and TUC have been involved in policy development on Illegal working, via the High Level Steering Group and immigration. Both organisations have emphasised the importance of integrating migrants into the mainstream of the labour market. The FPB is working with the SME Consortium on CSR to provide UK-wide seminars on the implementation of Corporate Social Responsibility (Responsible Entrepreneurship) in SMEs and is contributing to Leonardo da Vinci studies on lifelong learning, the results of which will be published in 2006.

5. Better governance

Social partners' involvement in NAP employment

Social partners' consultation by government on draft NAP

The government asked social partners' opinion on the draft NAP.

Impact on the draft NAP

The final submission of the NAP reflected many of the concerns raised by the TUC, CEEP UK and CBI. The CBI and CEEP UK were generally satisfied that the final draft reflects their concerns. The TUC remains convinced that the UK should offer a greater role for social partnership and collective bargaining. The CBI believes that

the current arrangements for involvement of the social partners are efficient and productive.

Social partners' involvement in drafting parts of NAP

Social partners were asked to draft part of the NAP and this joint input was largely reflected in the final draft.

Synchronisation of the BEPGs and the EES: impact on the involvement of social partners in preparation of NAP employment and in the implementation of BEPGs

The input of BEPGs in the UK has been limited. Many of the economic and employment initiatives taken in the UK, with involvement from the social partners, are consistent with the BEPGs, but none were prompted by them. The CBI, TUC and CEEP UK have not had direct input into policy prompted by BEPGs.

National follow-up activities to Employment Task Force report recommendations

The CBI, CEEP UK and TUC's response to the Kok report was generally favourable. The CBI and TUC will monitor the actions that flow from the implementation of the report and are committed to continuing their input into this process. Both organisations have produced work on labour-market flexibility and will use this research to further their activities in moving the Kok agenda forward in a sustainable and sensible way.