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**Conference: “Workers’ mobility - what role for the social partners?”
Brussels, 14 September 2006
Concluding debate
“A social dialogue contribution to better mobility”**

Address by Thérèse de Liedekerke, Director, Social Affairs

I would like to begin by thanking the European Commission for organising this Conference. It is a clear illustration of how the European Year of Workers’ Mobility stimulates debate, raises awareness and contributes to the exchange of ideas on how to improve mobility.

Throughout the day, speakers have pinpointed obstacles to and opportunities for mobility and identified innovative actions to facilitate free movement of workers. All agree that current levels of mobility within the EU are too low.

With respect to geographical mobility, available data show that less than 2% of European citizens live in a different Member State from their own. This proportion has hardly changed over the last 30 years. Moreover, even at national level, many European countries do not demonstrate much in the way of geographical mobility.

In addition, Europe also suffers from low levels of occupational mobility. For example, on average almost 40% of European workers has been with the same employer for over 10 years. The average duration of employment in the same job is 10.6 years in Europe, compared to 6.7 years in the US.

Mobility, both geographically and occupationally, is persistently lower in the EU than in the USA. Increasing it will benefit workers, companies and the economy and society as a whole.

This brings me to the theme of this debate: the role of the social dialogue. I strongly believe that social dialogue can make an important contribution to better mobility. Depending on whether we talk of geographical mobility within a country, cross-border mobility in the European Union or occupational mobility, the level at which to act and the role and responsibilities of social partners will vary.

As far as cross-border mobility is concerned, the obstacles are mainly fiscal or regulatory. Decisions on how to lift them are in the hands of governments. Social partners have therefore tended to focus mainly on the promotion of occupational mobility within member States and across Europe.

For example, through a dialogue that can take different forms in each Member State, social partners can promote the reform of national social systems to facilitate change in the world of work. When doing so, they also contribute to facilitating mobility.

Let me now give you some concrete examples of initiatives taken in the European social dialogue to contribute to better occupational mobility.

The issue of mobility has been a long standing preoccupation in the EU social dialogue. Already in 1990, we issued a joint opinion on the creation of a European occupational and geographical mobility area in Europe. More recently, European social partners included the theme of mobility in their joint multi-annual work programme 2003-2005. I would like to highlight one initiative taken under this work programme which aimed at improving job mobility : the framework of action on the lifelong development of competences and qualifications.

In a modern economy characterised by a rapid pace of change and demand for new qualifications, possessing the right skills and knowledge is increasingly important. More and more workers will have to adapt to a change of job or career during their working life. Education, training and lifelong learning are therefore crucial if employees want to improve their employability and career prospects. For companies, the ability to identify key competencies and encourage their development for all employees is equally important for their success. Our 2002 framework of actions has boosted social partners' work in the Member States, created impetus for change, and helped bring about concrete actions to promote lifelong competence development in all Member States.

Bridging the gap between the social partners' respective analyses of the main challenges facing Europe's labour markets is also important to pave the way for the emergence of a consensus on solutions to improve geographical and professional mobility.

The EU social dialogue work programme 2006-2008 therefore foresees a joint analysis of Europe's key labour market challenges as a stepping stone for further work on issues such as macroeconomic and labour market policies, lifelong learning, flexibility and security, restructuring, etc. all of which can contribute to raising mobility in Europe.

Quite apart from the initiatives that can be taken in their autonomous bilateral social dialogue, social partners are also involved in tripartite discussions on issues of direct relevance to enhance mobility; for example, in the ongoing debate on flexicurity. Empirical evidence shows that countries that combine flexible labour markets and investment in new forms of security also tend to have higher rates of mobility. Interestingly, in two of the countries with the highest job mobility, Denmark and Sweden, people strongly believe in the beneficial effects of job mobility. It would be interesting to study better what makes employers and workers from these two countries see mobility as an opportunity rather than as a threat.

Before concluding, I cannot avoid briefly touching upon the draft directive on the portability of supplementary pensions and mentioning the services directive.

Every body supports the objective of the draft directive on pensions portability, namely improving labour mobility in Europe, but there are strong concerns about its content. Firstly, the positive impact on cross-border mobility is uncertain since tax obstacles,

which are the biggest problem for cross-border portability of supplementary pensions, remain untackled. Secondly, the Commission proposal contains provisions which could significantly increase the costs of operating supplementary pension systems and thereby harm the development of supplementary pensions in Europe. We need a radical modification of the text to take account of the views expressed, for example, in the open letters signed jointly by the employers and trade union confederations of Sweden and the Netherlands.

Another important directive for the debate on mobility is the services directive. Well aware of fears of “social dumping” on the workers side to avoid, UNICE was in favour of amending the text initially proposed by the Commission to avoid undermining the posting of workers directive. We are however, disappointed that the text was unnecessarily watered down. Companies will try and make the best out of the text coming out of the EU institutions but UNICE strongly warns against further dilutions during the second reading or the national implementation process. We have already a partly missed opportunity. We must not further reduce the chances of fostering more growth and new jobs thanks to the completion of the internal market for services .

To conclude, social dialogue can contribute to promoting mobility at various levels and in various ways. It is important to bear in mind, however, that public authorities also have a crucial role to play, for example by eliminating unnecessary constraints stemming from the regulatory framework.

At the EU level, the remaining obstacles to cross-border mobility are of the competence of the Council acting upon a Commission proposal. The EU has already taken important steps towards achieving a more mobile labour market. Obviously, more needs to be done but actions have to be consistent with the overall aims of the European growth and jobs strategy. For its part, UNICE is committed to remain closely involved in the process to facilitate mobility in the best interest of European employers and workers.

Thank you for your attention.