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SPEECH BY ERNEST-ANTOINE SEILLIÈRE, PRESIDENT OF BUSINESSEUROPE

Prime Ministers, Mr President, Ministers, Commissioner,
Ladies and Gentlemen,

We have now in Europe a compromise package on the reform of the Treaty on the table, which has received the broad support of European employers.

It is not a surprise if I say that we urge the Intergovernmental Conference meeting later today and tomorrow to approve it.

You know that we strongly believe that the efficient governance of the EU is key for achieving our economical and social objectives. The reform treaty provides the updated legal basis needed by the enlarged EU. We now have to build on this legal framework to improve the decision-making process, to take more decisions by qualified majority vote, to foster a good relationship between institutions, to improve knowledge and innovation, to modernise our social systems and reform our labour markets as demanded by the challenges of population ageing and globalisation.

In this respect, the Commission contribution for the informal summit sets out a vision of how the Lisbon strategy should be developed in its next three-year cycle. For European employers, it is essential to improve Member States' ownership of the Lisbon Strategy and we consider – as I will explain – that it is a priority to integrate the flexicurity approach in Member States' National Reform Programmes.

Three years before the end, we all know that we are far from having achieved the Lisbon objectives. Therefore, we have to start preparing the post-2010 reform agenda. Structural reforms must be stepped up to solve the EU's productivity challenge. Europe still has more than 16 million unemployed people, half of which are long-term unemployed even if employment rates are rising.

Now, I would like to concentrate my remarks on the joint analysis of the social partners that opens the way to flexicurity.

For employers, flexicurity constitutes the right way forward for European labour markets, both at the conceptual level and in its practical application. It is in any event a strategic long-term priority for Europe.



Flexicurity is at the heart of the European social partners' joint analysis of the key challenges facing European labour markets that we have just agreed upon. I believe our joint analysis is not only an important but also a very timely exercise in preparation of the European Council in December. It is therefore with great hope that I would like to share some of the key conclusions and policy recommendations with you.

First, European social partners acknowledge the clear link between the challenges of globalisation and population ageing and the need for labour market reform. Mutually reinforcing economic and social policies are needed in order to boost employment and productivity growth.

Second, employers and trade unions agree that flexicurity can create a win-win situation for companies and workers. It therefore provides the right framework for modernising European labour markets, embracing labour law, effective lifelong learning systems and modern social protection. In addition, an effective social dialogue will contribute to smooth functioning of labour markets.

Thirdly, our joint analysis states that the wider context is crucial for flexicurity policies to yield maximum results. This means creating a favourable business environment that stimulates entrepreneurship and innovation, crucial to boost job creation.

Time does not allow me to elaborate on all of the issues of our joint labour market analysis. But CEEP will present those that are particularly relevant for employers in public services and UEAPME will do the same for SMEs.

Presidents, the joint labour market analysis that we are proud to present to you is proof of the social partners' commitment to help addressing the challenges facing European economies. We therefore hope that our common understanding of and recommendations around the key components of flexicurity will contribute to the European Council when it adopts a set of common principles in December. We hope to help steer labour market reform efforts at national level. BUSINESSEUROPE and all employers' organisations look forward to further cooperation with ETUC to turn the joint analysis into reality and we believe that the negotiation of a framework of action on employment would be a good start.
