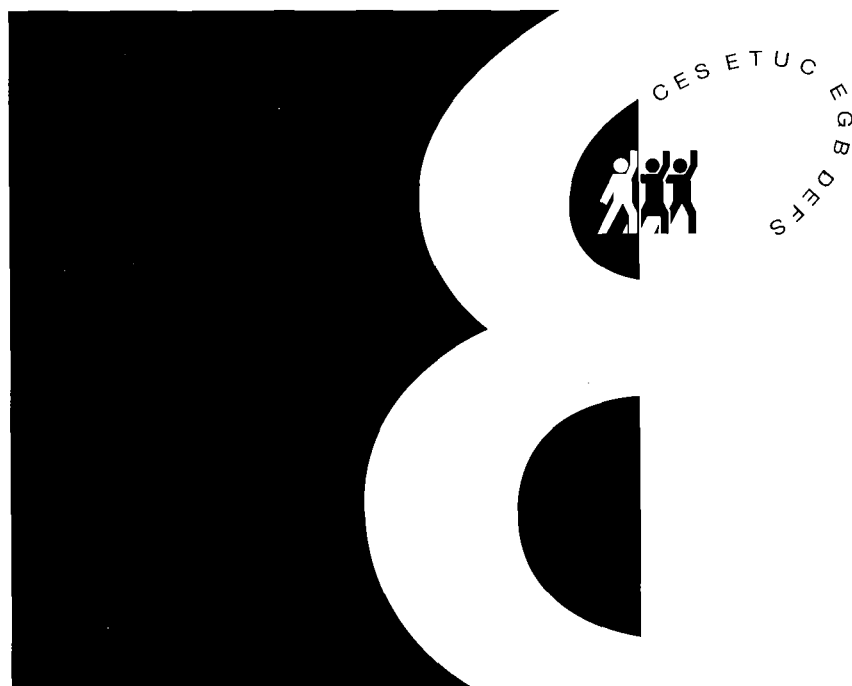

Jobs and solidarity at the heart of Europe

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Confédération Européenne des Syndicats
Europäischer Gewerkschaftsbund
European Trade Union Confederation
Den Europeiske Faglige Samorganisasjon

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CONTENTS

Contents

Introduction	5
I - The biggest challenge : employment	7
The scourge of unemployment	
Transforming the recovery into job-creating growth	
Providing the structures of a European industrial policy	
Strengthening the European dimension of taxation policy	9
II - Sustainable and lasting development	11
Higher quality growth	
Respecting the environment	
Meeting social needs	
A world with more solidarity	12
III - Enhancing the European social model	13
Our social model is a key factor in development	
Social protection based on social justice	
Effective public services	14
Negotiating the reforms which are needed	
IV - Revitalising the labour market	16
Radical changes in the "world of work"	
Ensuring equal treatment	
Anticipating change	17
Investing in human resources	
Negotiating positive flexibility	18
Developing the social economy	
V - Negotiating the reorganisation of working time	20
Growth is not enough on its own	
Meeting the needs of workers and companies	
Working less to provide work for all	
Promoting freely-chosen part-time work	21
VI - Social Europe - the vehicle of European integration	23
The social dimension - a pillar of European construction	
For a Social Union in 1996	
Legislation and bargaining : the two paths for social Europe	24
Extending the social model beyond the Union	25
VII - Building a more powerful European trade union movement	27
Trade unions fitted for tomorrow's Europe	
A more influential ETUC	
Developing bargaining at European level	28
Integrating the unions from the East	29

The economic and social crisis which Europe has been going through for some time and which today is still far from being overcome, despite the current recovery, has had devastating effects on the fabric of our society, the most flagrant manifestation being mass unemployment with all the consequences it entails. This crisis is accompanied by a wide range of restructuring, privatisation and relocation measures which are destabilising economic structures and employment. It is taking place against a background of far-reaching social and cultural change, which is also seriously affecting the work force.

Many feminised jobs and sectors have been hit by the economic and structural changes in recent years. Since women have been particularly affected by these changes, the need for effective equal opportunities and equal treatment policies geared to increasing women's participation in the labour market and society, thus contributing to a new conception of work, is greater than ever.

But the crisis is also being used politically. Employers and conservative circles are trying to take advantage of the situation in order to reopen the debate on acquired social rights and advantages and on the European model of development, which they regard as obstacles to maintaining competitiveness on a market whose global dimension is steadily growing.

On the contrary, the renewal of the European economy which is needed to meet the new demands produced by an increasingly post-industrial society within a radically altered international context needs to be based on the values and principles of this model - of which public services are one of the essential pillars - which must be adapted to the new economic and social realities.

Similarly, the ever increasing integration of European countries' economies and the tendency of companies to organise their activities on a transnational basis mean that national policies, though still necessary, are no longer adequate. The completion of the internal market and progress towards EMU provide a potential basis for sustainable and lasting development in Europe, as long as full employment, the opportunity of a job for all, social cohesion and the environment are really regarded as priorities.

The attainment of that objective and of a new balance between economic efficiency and social justice will require a strong and innovative trade union movement with a sectoral

and inter-sectoral structure at European level, which is capable of mobilising its members behind its demands and hence of influencing and negotiating the changes which are needed within the framework of a new European social contract. It is the ETUC's job to meet these challenges head on.

At the same time, the deepening of the process of European integration needs to proceed, leaving behind the current hesitation. For it is in the interests of the labour movement that the European Union should be enabled to strengthen its role of providing a framework for and regulating market forces and its ability to direct and push forward economic and social advances.

Steps must be taken to thwart the ever-present attempts to water down Europe into nothing but a free trade area and to strengthen the political role of the Union.

Strong, democratic and transparent European Institutions which are answerable to the citizens of Europe are indeed essential if integration potential is to be exploited to the full; at the same time it must be ensured that the rich diversity within Europe is respected and enhanced through judicious distribution of powers and responsibilities at the various levels of political and social organisation.

The ETUC regards this, along with employment policies and the achievement of a genuine Social Union, as the essential task of the revision of the Treaty in 1996. Since it will be a decisive date for the future of the Union, it must not be merely a matter of inter-government bargaining; there must be extensive participation of democratic, social and political forces, which is the best way to guarantee that the construction of Europe really meets the profound aspirations of citizens and working people.

Deepening the Union, whilst clarifying its powers, is also the best way to prepare for its future enlargement to include the new democracies of Central and Eastern Europe and to vest it with the instruments that are essential for coping with its growing responsibilities - starting with the Mediterranean Basin - in a world plagued by poverty and profound imbalances which is seeking a new economic and social order in which there is more justice and solidarity.

The ETUC considers that the pursuit and realisation of this project will thus involve an alternative form of production and work and an alternative lifestyle in a Europe which draws inspiration from its humanistic, democratic and social values.

I. The biggest challenge : employment

The scourge of unemployment

1 In recent years all European countries have suffered from the upward spiral in unemployment, which has hit blue- and white-collar workers and also professional and managerial staff. Women, ethnic minorities and young people are currently experiencing major problems in the labour market. Long-term unemployment and growing insecurity in the labour market are significantly increasing social exclusion, which is undermining human dignity and increasing social polarisation.

The situation in the European Union (EU) can be summarised by two figures: 20 million people unemployed and 50 million people living below the poverty line. Those figures apply to what is one of the most highly-developed and rich regions in the world. The countries of Central and Eastern Europe have, generally speaking, been even more severely affected by unemployment and the worsening living conditions of large sections of their populations.

2 This situation is both unacceptable and dangerous. Unemployment seriously affects the lives of workers and their families, and also threatens democracy and social cohesion. The poverty and climate of uncertainty which it creates is a breeding ground, as history has repeatedly shown, for intolerance, xenophobia and racism. These tendencies are resurfacing throughout Europe and feeding the resurgence of various forms of nationalism which are being exploited by political parties of the far right.

3 Today's unemployment is the product of economic factors, due to the particularly deep and prolonged economic crisis, and of structural factors, notably the series of accelerated technological and industrial innovations and the changes which have taken place internationally. Due to inadequate investment in education and training the skills of the labour force have not developed as fast as the system of production.

That being said, the employers must also take their share of the blame. They have too often carried out restructuring of companies in an expedient fashion, neglecting their social obligations and carrying out mass redundancies, and have favoured financial and speculative investment to the detriment of investment in the real economy.

In addition to that the monetarist and restrictive economic policies carried out by many governments have

further inflated the unemployment figures. Even now, with the economy growing again and profits rising substantially, the creation of jobs is lagging behind.

In the countries of Central and Eastern Europe, the pre-eminence of a neo-liberal vision has made the process of transforming their economies even more painful, in social terms, if unavoidable.

Transforming the recovery into job-creating growth

4 In the European Union, we are bound to note that following an initial positive period the completed internal market has failed to honour its promises regarding the creation of jobs; that is not just due to the recession, but also to the absence or inadequacy of the common policies which are needed to make the most of the internal market's potential. Despite the reform and increase in the Structural Funds and, more recently, the research and training programmes, the Union still has much to do towards providing the framework and instruments which are vitally needed to develop the European economy.

That is particularly true with regard to both taxation - "fiscal dumping" is increasing owing to the lack of any real Europe-wide harmonisation - and to industrial policy, which is an area in which EU policies have little impact, with the exception of the rules on competition.

The programme of large-scale European networks, which could do much for competitiveness and jobs, has so far been disappointing, owing to the lack of political will to "think big" by extending links to the CEECs and harnessing the necessary financial resources. In this regard, the refusal to raise Community loans on the financial markets is particularly unjustified and regrettable.

5 In order to re-boost employment the macro-economic policy guidelines of the Union and Member States must be revised. The latter are still only concentrating on the nominal convergence criteria of inflation and state deficits and are failing to give priority to employment.

If current policies are maintained, the best that can be hoped for is the stabilisation of unemployment, which has already reached an unacceptable level, followed over the next few years by a slow reduction - always assuming, of course, that there are no new recessionary periods.

That would clearly fail to live up to the ambitions of the White Paper, which aimed to create 15 million new jobs and to cut the EU unemployment level in half by the end of the century.

Consequently, the Essen decisions need urgently to be implemented through targeted national programmes backed up by concerted initiatives at European level. To that end, the system of multilateral surveillance provided for by the Essen Summit needs quickly to become operational, with social partner involvement, in order to restore balance to Economic and Monetary Union.

6 The policies carried out in most European countries can scarcely claim the credit for the current recovery, which has largely been export led.

A non-monetarist approach to macro-economic policy is therefore needed if we are to reduce unemployment decisively and thereby stabilise the public purse. That will require measures capable of consolidating the current return to growth by supporting domestic demand through the promotion of purchasing power and, above all, investment.

A long-term programme of public and private investment is still needed. It should concentrate above all on the infrastructure, including social facilities, and on transport, energy, information highways, the environment, research and training. The European Union and the Member States need a coordinated policy aimed at relaunching public investment and stimulating private investment in order to broaden the productive base in industry and the services.

This investment strategy should be backed up by monetary policies leading to a sharp, simultaneous reduction in interest rates.

This more pro-active economic approach requires a coordinated strategy, at national and European level, which involves the social partners, aimed at establishing a social contract on development. If these requirements are met, it will be possible to achieve, through negotiations, a positive balance between pay and employment tipped in favour of job creation. The key aim of this different approach remains the promotion of real convergence and the deepening of economic and social cohesion. The latter concern should underpin all EU common policies.

7 The fundamental strengthening of the European economy depends to a large extent on the development of structural policies. The major outstanding problems are to reduce disparities in the development of different European regions, including Euro-regions, to convert declining industrial regions and to revitalise rural areas.

The Structural Funds need to play their role fully, i.e. correcting disparities in national and regional development and redeploying industries and services, by transferring resources which are the engine of growth. All the operations of these funds should be properly geared to job creation.

To that end, provision should be made for full social partner involvement at all levels. Procedures must also be made more transparent in order to ensure that the Funds fully meet their objectives.

Through their role at local, regional and Euro-regional level, SMEs - which already employ three quarters of all employees - bear an important responsibility for creating decent jobs. Easier access to finance for risk investment coupled with improved transferral of research findings into SMEs should allow the latter to modernise and acquire new markets, whilst adapting their social provisions and incorporating trade union structures.

Providing the structures of a European industrial policy

8 Given the new international division of labour and the many challenges raised by technological developments, it is essential that European industry and the services sector should be modernised and adapted, by introducing new openings for development. Making the best use of the motivation and creativity of employees at all levels is a challenge for employers, trade unions and governments alike and the key factor to be included in a new industrial policy. This modernising approach needs to move towards "clean" production which significantly reduces pollution through emissions, spillage and waste whilst creating new products and services.

That cannot be done effectively through isolated efforts in individual countries. The Union, however, should provide the framework for the cooperation and synergy which are needed, by involving the private and public sectors and the social actors. A substantial increase in financial means for research and development is thus needed at both national and European level.

9 An active European industrial policy is therefore vital so that the structural changes needed in European industry and the services sector are future-oriented. That industrial policy needs to anticipate, support and underpin these structural changes and the Union's role should be to stimulate the development and modernisation of European industry and services by making them more competitive and generally of a higher quality.

To meet the new social needs and achieve sustainable and lasting development, we also need to develop new types of products and services. Promoting such innovations needs to be an integral part of a modern European industrial policy. That also requires the establishment of generally-applicable European quality standards for products and services. It should be ensured through state provisions that the latter are supplied on a socially-just and regionally balanced basis.

What is more, the focus of pure research needs to be shifted towards environment-friendly concerns such as renewable energy sources, recycling, new materials and a more effective conversion of research findings into product development.

That will require close coordination of economic, industrial, environmental and social policies but also, and above all, the involvement from an early stage of representatives of producers, workers and users in updating techniques and/or assessing the latter's impact so as to determine quickly the social and ecological effects and hazards.

10 The challenges of the future will also be affected considerably by the development of the "information society". The latter's impact will be such that the effects on jobs, working conditions and the organisation of society will need to be taken fully into account.

In order to be able to influence and benefit from these changes and all their implications, workers and their representatives need to be fully involved, at all levels and from the start, in the overall organisation.

The rapid changes caused by the computer technology era in numerous areas of work and life are creating new challenges for the unions, particularly in ensuring that communications are under democratic control. The development of new telecommunications infrastructures will change working conditions and create a whole new range of ways of working (such as teleworking).

The availability of multi-media options will also affect the private behaviour of individuals using communications systems.

Consequently, it must be ensured that the nature and scope of networks and services are regulated in a responsible fashion by the public authorities. That will involve attaching particular importance to controlling the power of the media. State-controlled radio and television must be safeguarded. It is only by providing a dynamic service available to all, with clear quality standards and reasonable prices, that all citizens can participate in the information society.

11 Energy policy in Europe must ensure that there are sufficient and secure supplies to support social as well as economic progress. Promoting competitiveness cannot be the sole objective. In line with the White Paper, liberalisation of the internal energy market must be compatible with employment, growth and environmental objectives. Public service obligations must be respected.

The ETUC supports the promotion of renewable energy sources and the use of energy related taxation to

further environmental objectives.

East-West energy cooperation in the context of the European Energy Charter must not become a one-way street : in addition to offering developed countries greater security of supply, the improvement of the living and working conditions of the people of Central and Eastern Europe must be actively pursued.

A cross-sectoral European Energy Advisory Committee should be established, including employer and union representatives, to advise the Commission on all energy related matters.

Strengthening the European dimension of taxation policy

12 Since the lack of harmonisation of tax policies at EU level combined with the freedom of capital movements is causing downward tax competition and fiscal dumping between Member States, basic regulations need to be agreed at European level, particularly governing tax on interest from capital and taxes on companies. Exchange of information between countries concerning income from capital also needs to be ensured, in order to prevent tax fraud, speculation and laundering of money obtained through illegal activities.

The ETUC also calls on the European Union to promote an international initiative to regulate taxation and financial transactions, in pursuit of the same objectives.

An important objective for taxation policy in Europe should be to help establish a better balance between taxes on labour, which are currently too high, and taxes on capital. Various possibilities exist, such as concerted European action on environmental and energy taxes and the introduction of a uniform tax on interest from capital and a minimum rate for tax on companies. Other possibilities are more differentiation in value added taxation between labour-intensive and luxury products and services, and harmonising taxation policy in relation to alcoholic beverages. Nevertheless, tax harmonisation must take into account the rates of taxation of social expenditure and the economic situation in the different European countries, so as to avoid negative repercussions on employment.

The ETUC recognises that as the European Union develops the issue of introducing European taxes, substituting partially or totally for existing national taxes and involving the proper control of the European Parliament, will have to be confronted.

The 8th Congress commits the ETUC to :

- propose an employment action plan to be implemented through concerted action at national and European level, requiring management and the public authorities to take concrete measures aimed at giving everyone an equal chance of getting work;
- take action to ensure that the multilateral surveillance of employment policies in the EU really makes employment the key concern of economic policy, thus restoring balance to the EMU strategy;
- take the measures needed to develop an active industrial policy, which should make use of all the opportunities afforded by technological developments and take into account the latter's impact on employment;
- devise a concrete strategy for Europe-wide action on taxation, thus correcting the growing imbalance between taxation of revenue from capital and that from labour.

LASTING

II. Sustainable and lasting development

Higher quality growth

13 That being said, it must be recognised that the traditional concept of quantitative growth is currently being called into question on account of the risks it can involve with regard to the environment and quality of life. We therefore need to promote sustainable and lasting development which provides for material well-being whilst respecting the environment and principles of social cohesion and solidarity. That will necessarily involve changes in ways of organising production, work and time, as well as in consumer trends and, even, people's lifestyles.

If the "common human heritage" is to be preserved for future generations, economic will also need to be redirected and adapted in line with these changes, and energy, industrial, infrastructure and transport policies will need to be replaced by others which prevent the negative impact on the environment caused by the current production and consumption models. Since our future depends on the answers we find today, it is essential that we find solutions which already integrate this new conception of higher quality growth, thereby enabling us to rediscover the path to full employment and provide everyone with the same opportunity of getting a worthwhile job.

Respecting the environment

14 Aiming for sustainable and lasting growth involves, first and foremost, protection of all aspects of the environment. The urgent need for environmental protection is indeed clear in view of the increase of pollution, the wasting of energy and the degradation of living conditions, above all in towns.

The priority should be to apply an environmental approach to all economic and social activity.

New forms of economic incentives and tax measures need to be introduced in order to reduce consumption of non-renewable resources, to reduce environmental damage and to promote ecological innovation.

Environmental protection and the associated national and European programmes can also provide an opportunity for creating new openings leading to new jobs in fields such as energy conservation and the development of renewable sources of energy, the preservation and enhancement of natural resources and rural areas, which are endangered by

the rural exodus, and urban renewal.

More effective incentives and assistance and research policies need to be introduced at European level, including the creation of a European Environment Fund.

The European Union also needs fully to assume its responsibility for improving the environment at the global level and to ensure that Member States meet the undertakings laid down in Agenda 21 of the Rio de Janeiro Conference. The introduction of an environmental clause in the World Trade Organisation should be supported.

Meeting social needs

15 Furthermore, qualitative growth should be more precisely targeted at social needs - which are currently too often being neglected - such as education and health and assistance to elderly people, disabled people, families in difficult circumstances and children. There is a need for childcare centres which are adapted to people's lifestyles and work schedules and enable a more satisfactory balance to be struck between providing for children's harmonious development and allowing parents to exercise their professional activities in optimal circumstances.

The extension and enhancement of high-quality pre-school and school basic education should help reinforce the campaigns against failure at school.

Compulsory education should be gradually increased. All children of school age should be entitled to free primary and secondary education and vocational training geared to obtaining basic vocational qualifications.

Improving the quality of education is also of crucial importance in effectively combating child labour, which has again become an increasing problem in Europe. The ETUC is strongly opposed to child labour and calls for more active policies to ban it.

To enable older people to "grow old in their own homes" for as long as possible, home help services need to be introduced which provide appropriate, high-quality care in acceptable housing and at a socially affordable price.

To meet public health and social welfare requirements facilities and services adapted to the growing and diverse needs must be created.

All these areas can be developed through the public

sector, the private sector or partnerships between the two.

A wide range of new jobs can be created by these means and the people providing such services need to receive training and skilling and acceptable terms of employment.

A world with more solidarity

16 However, bearing in mind the interdependency of economies and societies within the world, the objective of qualitative, lasting and job-intensive growth cannot be pursued in Europe alone.

Enormous needs have to be met if a large section of humanity is to enjoy a decent life and global demand is to be re-launched accordingly.

Combating poverty and constructing a new, sustainable, fairer and socially-just economic and social world order, based on fairer trade, is thus in the interests of all workers and peoples.

The Union and European countries have the means at their disposal to play a greater role in this process, by opening up their markets to a greater extent, stressing the need for good governance and respect for human and trade union rights and by reducing the debt burden, which is still a major problem for many developing countries. This must be backed up by profound and structural changes in our own economies, for example in the CAP, and by the allocation of more resources to our policies to assist development and cooperation, totalling at least 0.7% of GDP.

In this context the Lomé Convention has an important role to play, however it needs to be redirected and made

more democratic and decentralised, involving the social actors who are directly concerned.

The EU should establish close relations with its neighbouring regions, for which it should feel a special responsibility. Democratic, economic and social development, in the east and the south, are of vital and urgent interest to the European Union. For that reason the ETUC supports the PHARE Programme and calls for a similar initiative to be taken for the Mediterranean region, as part of a global strategy to establish a common social and economic area.

The Union and European countries need to implement the undertakings they signed up to at the World Social Summit in Copenhagen.

The 8th Congress commits the ETUC to :

- press the public authorities and employers at all levels to promote sustainable and lasting development which protects the environment, improves quality of life and takes into account social needs, which are currently being neglected too much;
- propose initiatives geared to trying out environment-friendly production methods and developing ecological innovations, thereby creating openings in new job-intensive sectors;
- press the Union and European countries to assume greater responsibility for global development and to step up their assistance and cooperation policies, thereby acting on the conclusions of the World Social Summit in Copenhagen.

III. Enhancing the European social model

Our social model is a key factor in development

17 The European economy needs to remain competitive within the new international context.

Conservative governments and employers' organisations have exaggerated that requirement by making competitiveness the chief argument to back up their calls for attacks on the European social model, a reduced role for the public authorities, widespread privatisation, ruthless relocations, labour market deregulation, wage cuts and less social protection. They claim to have found a miracle cure capable of re-boosting the European economy, but in fact it is nothing other than an option based on a prejudiced ideological stance which is totally incapable of achieving the desired results.

On the contrary, the integration of economic and social concerns guaranteed by the European model needs to be preserved, so that the notion of a free market focused exclusively on seeking competitiveness at any price does not prevail.

Competitiveness must involve the development of an economic strategy which is adapted to demand, meets existing needs and creates jobs.

More particularly, the public services should not be totally exposed to market forces. The independent advisory group on competitiveness, set up by the Union, should follow the guidelines in the White Paper, which advocates a broad, balanced approach to the problems.

18 With that in mind, far from being a hindrance, our model has a positive contribution to make to European renewal.

This model, which provides for a high level of social protection, a central role for the public services and for collective bargaining and various forms of employee participation, is based on the essential compromise between market forces and democratic values. Whilst it assumes different forms in different countries but is based on the same fundamental values, this model has assured economic progress and social cohesion over a long period. Given its nature and achievements it is better placed than others, such as the American and Japanese models, to meet the increasingly urgent need to put people at the heart of the development process.

Social protection based on social justice

19 The solidarity-based social protection and social security systems of our countries, in all their diversity, are fundamental elements of the European model. They represent, in fact, a social model, in which the social partners have a key role to play. These systems are currently under attack in many quarters, with the requirements of monetary convergence being used as the pretext.

The European Union should set itself the objectives of protecting these solidarity-based systems, guaranteeing and improving welfare benefits, guaranteeing minimum resources and a minimum income to all citizens - the latter still need to be introduced throughout the EU - as well as the individual right to a pension linked, at least, to the cost of living and improvements in the purchasing power of those in work. Comparable rights need to be provided in the countries of Central and Eastern Europe in order to prevent downward competition between countries in social terms and to improve people's wellbeing.

Real upward convergence of social protection policies and benefits must be implemented at European level. The objective, as the ETUC sees it, should not be to harmonise provisions which are rooted in traditional national social cultures but to harmonise acquired rights and strengthen them.

Preserving the quality of social protection will require finding a variety of sources of funding; governments will need to assume their responsibilities in areas where national solidarity is required. Given that social protection and social security systems are under pressure everywhere - particularly as a result of disparities between contributions and benefits - and in order to boost the financing base, the Union needs to strengthen Europe-wide coordination aimed at promoting different sources of funding.

The negotiated introduction of supplementary systems which fulfil the same objectives of solidarity as the general regimes would also go some way to addressing emerging needs for social protection and pensions. Such supplementary schemes should be administered cooperatively, through mutual associations or jointly by both sides of industry and their operations must be transparent. They can only be regarded as a supplement to general schemes and not an alternative.

20 The current economic and employment crisis is destroying the social fabric. If our model is to be preserved combating social exclusion needs to be made a political, economic and social priority of the European Union. So as to guarantee fundamental rights and provide decent living conditions, housing benefits and energy allowances must be provided, as a minimum, to all those citizens who need them. Policies and programmes geared to prevention and social and professional integration and re-integration, coupled with partnership between the public and private sectors, local authorities, associations, employers and the unions are essential in order to prevent and get rid of exclusion and poverty.

Effective public services

21 The ETUC considers the public services to be a cornerstone of our European model and our democracies. The public services have an important responsibility to ensure our societies' well-being and development since they are meant to serve the interests of all and prevent the development of a two-tier society. The ETUC is therefore opposed to the growing instances of indiscriminate privatisation in all sectors, when the latter have no economic justification but are based exclusively on neo-liberal ideological presumptions and, above all, are not negotiated with the social partners.

The public services ensure the general interest is met and are a key factor in social cohesion through their protection of solidarity and equality principles.

All citizens need to have equal access to effective public services which meet individual and collective needs.

The public services have a key role to play in protecting and improving the standard of living of people generally, and workers more particularly, and should therefore make a key contribution to provision for the needs of everyone.

In providing a wide range of benefits, such as general and school education, health, social services, justice and public safety provision, transport, energy, housing, culture, audiovisual services, postal services and telecommunications, healthy public services will help guarantee the stability and identity of European society.

Effective and efficient public services, enjoying adequate investment and funding, are therefore a prerequisite if we are to build a Europe which is fairer in social terms and more efficient in economic terms, in which the public authorities keep their regulatory function, thereby preventing the development of any forms of monopoly by private or privatised services.

In order to fulfil their tasks and modernise so as to be able to meet the needs of the people who use and benefit from them, the public services need to adapt to the new situation in Europe. A policy of European-level coordination

and cooperation between the national public services is needed to make them more efficient.

22 The role of the public sector with respect to the economy and employment is vital and will be enhanced by partnerships between the public and private sectors. As an instrument of industrial policy in public hands and a guarantor of the "mixed" economy, the public sector is in a good position to strengthen competitiveness in Europe.

The establishment of large-scale trans-European networks, covering communications and other areas, can do much to promote movement of goods, services and people within Europe, from north to south and west to east.

The public sector is confronted by the various structural changes in society, which will influence the role it should play and the measures it should develop. Accordingly, the public services will have the added responsibility of promoting an environment which is suitable for economic development.

That will require new approaches to management and decision-making in the public sector, improved training and qualifications for public service employees, who represent a substantial proportion of the European work force, and adequate staffing with adequate pay.

Negotiating the reforms which are needed

23 That being said, the ETUC is well aware that the European development model, which was mainly set up, through public and private cooperation, after the end of the Second World War, just fifty years ago, is showing some signs of inadequacy in coping with the high level of unemployment and the profound and rapid economic, social and demographic changes currently taking place and thus needs to be reviewed.

Reforms are undoubtedly needed, however they need to be introduced on the basis of negotiations involving the unions and must not be allowed to undermine the balance between economic efficiency and social justice and between companies' requirements and workers' and citizens' rights. This kind of positive and modern approach is leagues away from the conservative policies which many governments and most employers are trying to impose unilaterally.

The real problem is not deregulation but the need to define new provisions geared to today's work organisation arrangements and social structures, to fair sharing of family and professional responsibilities between men and women and to the new social needs. We need to remodel the concept of "full-time work" so that women are offered a wider range of jobs and men are allowed more time to assume a larger role in family life.

24 All this means that freedom of association of all workers - including military personnel - in all countries, together with the participatory role of the unions and their bargaining competence need to be recognised and strengthened and industrial relations and collective bargaining need to be fostered. Wherever that has happened the unions have played an active part in developments.

The ETUC is concerned by and rejects the attempts to undermine this role and competence, to undermine the legitimacy of trade union action and to dismantle collective bargaining arrangements. And, what is more, the ETUC is deeply concerned at the presence of obstacles in CEECs preventing the full development of the trade unions' role. The fact is that free and representative trade unions are an essential component of economic and social progress and a pillar of democracy.

25 Given the extent of European integration, the process of adapting and reforming the social model can no longer be completed successfully in the EU and the EEA through national measures alone. The internal market and EMU requires these reforms to be carried out in the broader European context. That is indeed a key justification for a European social policy : the ETUC has long been calling for the latter to be strengthened and given the task of providing for the upward harmonisation of living and working conditions and the establishment of new rights leading

to an integrated social area. That means the Treaty needs explicitly to recognise basic labour market and social rights.

The 8th Congress commits the ETUC to :

- continue to make every effort to strengthen at all levels the integration of economic and social concerns provided for in the European model, a major aspect of which is the key role accorded to the social partners;
- categorically reject any dismantling of social security schemes, to protect all solidarity-based social protection systems and to draw up a concerted strategy to combat social exclusion;
- oppose indiscriminate and widespread privatisation and support the strengthening of public services, which alone can ensure the general interest is met; the public services need to be modernised and adapted to tomorrow's Europe;
- ensure that all the reforms needed in the fields of social protection and the public services are produced through a concerted approach and collective bargaining.

LABOUR

IV. Revitalising the labour market

Radical changes in the "world of work"

26 Two major changes have taken place in the labour market :

The first is the changed composition of the work force : the massive increase in women workers and the contraction at both ends of the age pyramid have changed the social structure of the work force. Nowadays, with the decline in manufacturing jobs two-thirds of the work force are working in the (public and private) services sector, which has seen an upward spiral. Jobs from heavy industry have been transferred on a massive scale to SMEs. At the same time the number of professional and managerial posts has virtually doubled in 10 years. The composition of the work force has changed.

The other development is the employment crisis and the new forms of work organisation : mass unemployment and the development of atypical work (such as fixed-term and temporary contracts, work via intermediaries and private labour agencies, unprotected "independents", home work and teleworking, and on-call contracts) have destabilised employment and threaten the whole work force. Part-time work has also increased considerably, very often in the form of badly protected jobs. Work itself has changed.

As a result of both developments, which are interrelated, there is a dangerous and growing gap between "normal", still well-protected jobs and the non-protected jobs of the growing number of "atypical" workers, who mostly consist of women, members of ethnic minorities, migrant workers and young people. This development threatens the work force as a whole and challenges the very existence of the trade union movement.

Ensuring equal treatment

27 Viewing the labour market as a whole and given the presence in the EU of several million workers from third countries, the ETUC calls for a ban on all forms of discrimination in recruitment and employment on the grounds of race, colour, age, disability, gender, sexual orientation, creed or ethnic origin and the same social, economic and democratic rights as those of other citizens.

The ETUC also calls for effective measures to combat illicit labour and the exploitation of immigrants. It calls at

the same time for the establishment of common rules enabling third country nationals residing legally in a Member State to enjoy freedom of movement within the European Union.

It is clear that in addition to employment problems we also need to build a European society characterised by respect for all ethnic minorities, equal treatment and the rejection of all forms of discrimination in terms of rights and citizenship, by waging a determined struggle against racism and xenophobia and developing integration policies in all areas, including that of political participation, whilst respecting diversity.

The social partners have a contribution to make in this area, for example by incorporating provisions tackling discrimination in collective bargaining agreements, by developing codes of good conduct in companies and by promoting education and training.

28 Though women are the driving force in the labour market they are experiencing both horizontal discrimination, in terms of the very limited numbers of sectors they are working in, and vertical discrimination, in that their jobs tend to be at the bottom of the professional ladder.

The objective of improving the employment situation will not be attained fully unless there is a determination to allocate family and professional responsibilities more fairly between men and women and all the forms of discrimination still affecting women, both at work, in the family and in society generally, are removed.

Key among these measures is equal pay for work of equal value. Trade unions need to integrate this demand into their overall employment policies and to make it a specific objective of collective bargaining strategies at company, crossborder, sectoral, national and European levels. This will involve campaigns to raise awareness of the value of women's work and specific education and training measures for union negotiators. The pressure on Member States to assume their responsibilities must also be increased.

What is more, the changes in the traditional roles attributed to men and women in family and professional life - particularly as regards paid work and voluntary work - need to become a permanent feature of all policies carried out at European level on employment, training and social and working conditions.

Positive measures to guarantee equal opportunities in employment need to be introduced through collective

bargaining. As these forms of discrimination have their roots in our traditions and structures for work, society and the family they need to be eliminated through the development of a new gender perspective in work organisation, education and society generally.

Anticipating change

29 The process of transformation from an industrial society to a computerised, service-oriented society is bringing significant though not ubiquitous changes in the structuring of jobs and the constant and controlled adaptation of employment at company, sectoral but also regional level. A pro-active management policy must therefore be put in place to give the most accurate forecasts possible of changes in jobs, skills and industrial developments, whilst guarding against exclusion and safeguarding access to employment for people without the right kind of qualifications.

The rapid introduction of new technologies is causing continual changes to work organisation, both in industry and the services. Workers and their representatives need to take an active part in the reorganisation of firms within transparent, democratic structures aiming to stabilise and even increase employment whilst making the jobs themselves more acceptable to the people doing them.

Moreover, if they are to keep up with these changes workers will need better adaptation skills which they can only acquire through the continuous updating of their knowledge and professional qualifications.

Continuing training will consequently play an increasing part in people's lives.

Investing in human resources

30 Investment in human resources remains one of the key planks of an effective employment policy aimed at combating unemployment and creating skilled jobs. To that end, the priority is to improve the basic, secondary and higher education systems and adapt them to changes in society.

It is particularly important that there should be larger numbers of students in higher education, since Europe is seriously lagging behind Japan and the USA, for example, in this respect.

In order to reinforce people's potential and make better use of it, basic initial vocational training, practical training at school or in companies and apprenticeships leading to real jobs, need to be organised in such a way as to

meet changing skill requirements and the need for future adjustments.

All young school-leavers must be guaranteed the right to an apprenticeship and/or vocational training.

Continuing education and training throughout working life should not be regarded simply as a unilateral adaptation to economic requirements; they are also a necessity for working people. They are basic rights of working people and should be recognised as such, including at European level. The same rights should be extended to unemployed people, thereby increasing their opportunities of reintegration in the labour market.

Adequate means need to be allocated at all levels in order to facilitate the exercise of these rights. In the present situation of high unemployment in Europe, the number of places on recurrent training programmes should be increased by 5 million.

31 In addition to this, if employees' know-how and expertise are to keep pace with developments in production very extensive continuing training programmes and other ongoing measures to develop skills and competence are required. Organising work in such a way that it involves continuous learning will also help to increase the competence of employees.

The application of this right in companies, including for professional and managerial staff, requires the organisation of training programmes negotiated with the unions, which should include in-company and external training courses during working time together with schemes providing for paid training leave, sandwich courses and courses run on a rota basis and sabbatical periods.

Positive action plans targeting women, and especially women without qualifications, need to be included in these negotiations, in order to promote equal opportunities and equal treatment. Targeted training initiatives are also needed for people in a weak position on the labour market and for migrant workers and members of ethnic minorities.

32 Whilst responsibility for education and training basically lies at national level, regional level, the internal market and progress towards European integration mean that a transnational approach is also needed.

That is the aim behind the various framework programmes the EU has recently decided on, which the ETUC fully supports, though it has been calling for a larger role for the social partners in their implementation.

In order to increase the effectiveness of the programmes the ETUC calls upon the EU to make the procedures for their implementation more transparent and accessible.

Given its strategic importance to companies, but also its vital importance to workers' professional, social and personal development, training throughout working life and the terms of access to the latter must be negotiated by the social partners at all levels and in all sectors, including that of the European Social Dialogue.

Negotiating positive flexibility

33 It is clear, however, that even increased and better quality growth will not be enough in itself to restore full employment and give everyone an equal opportunity of getting a worthwhile job.

Instead of the uncontrolled flexibility employers are calling for, which is being assisted by the policies of several governments under the banner of economic imperatives and is leading to widespread job insecurity and worsening living conditions for workers, the concept of "positive flexibility" should be promoted.

Within such a concept both sides, employers and the unions, recognise the growing need for more flexibility and diversification in the organisation of work and working time. One of the key notions is that it is not just employers who need flexible workers but workers, for their part, need flexible employers, i.e. employers who are willing and able to adapt to the needs of the increasing number of workers who want to combine their work with family responsibilities.

Recognition of these different interests should lead to new forms of regulation and to arrangements whereby the justified interests of both sides are met through collective bargaining, so that all working people - "typical" and "atypical" and whether or not in senior positions - enjoy equal rights and adequate social protection.

34 Another measure to promote job creation is easing indirect wage-related costs in order to facilitate the recruitment, in particular, of young people, the long-term unemployed and other excluded people. However, that will clearly also involve finding alternative sources of finance, particularly through increased taxation of

income from capital and from financial speculation, in order that the resources needed for social security and associated benefits are available. Such initiatives should be based on agreements negotiated with the unions which clearly provide for extra jobs, with monitoring arrangements and sanctions where undertakings are broken.

35 It is important to ensure a balance between demand and supply in the labour market by providing job seekers with effective guidance, individual assistance and offers of vocational training. Public employment agencies should be strengthened to enable them to improve the services they provide to employers, employees - both blue- and white-collar workers - and unemployed people. Local labour market councils, involving the social partners and the public sector, have an important role to play in performing these tasks.

In view of the very high number of jobs on offer, society's way of dealing with unemployment should be more proactive.

Developing the social economy

36 The creation of cooperatives or other social economy ventures should be encouraged by the public authorities, and that includes creating a favourable environment, with varied forms, and defining an appropriate legal framework at European level.

The social economy, which includes cooperatives, "mutuelles" and other associations, is an economic sector in its own right. Since they meet numerous social needs and contribute to economic development, such organisations can play an important role in job creation, thus facilitating labour market reintegration.

¹ Health insurance institutions run on mutual benefit principles

The 8th Congress commits the ETUC to :

- press the Union to ensure that all EU policies are based on equal opportunities principles, are geared to improving the quality of women's work, and allow men and women to reconcile professional and family life more satisfactorily;
- to coordinate a trade union campaign on equal pay for work of equal value;
- call for recognition at European level of the right of all workers to access to education and training throughout their working lives (training leave, training vouchers, sandwich courses, sabbatical periods, etc.). In view of the current level of unemployment, 5 million extra people should be given places on training programmes;
- press for a qualitative development and quantitative expansion of basic, secondary and higher education in Europe;
- promote forms of regulation based on collective bargaining, as the only appropriate way of negotiating flexibility in work organisation which is socially-acceptable and suits individual workers. All forms of assistance to companies must be based on agreements negotiated with the unions and must help create extra jobs;
- encourage active labour market policies geared above all to reintegrating young people and the long-term unemployed;
- step up its action to combat all forms of discrimination, with regard to employment and general rights, against migrant workers and members of ethnic minorities, and to wage an ongoing campaign against racism and xenophobia.

WORLDWORKING

V. Negotiating the reorganisation of working time

Growth is not enough on its own

37 The high level of unemployment in Europe cannot be remedied merely by a return to lasting growth, however necessary that still is. The constant introduction of new technologies will do away with many jobs due to the increase in productivity. At the same time, new technologies will lead to the creation of new jobs, often within new sectors. This will require new skills and expertise, a better organisation of work and greater adaptability on the part of employees, and, therefore, a more active labour market policy.

Developing an effective employment project will thus require - in conjunction with a range of other policies - reductions in and the reorganisation of working time. The reductions and reorganisation need initially to be carried out by channelling productivity gains primarily into employment. They also require a more efficient use of plant through the improved coordination of employee time, which can assume various forms, machine time and the time required for the completion of particular tasks and services.

That type of approach is needed as part of a wider search for a development model which takes into account the technological changes, the new division of labour, the desire of workers to have greater control over the time at their disposal and the need to promote equal opportunities in employment.

38 Whereas these structural problems require large-scale responses, the current trend has been for companies to find one-off, innovative ways of preventing unemployment. Certain agreements in companies in difficult circumstances have provided for measures to achieve reductions in working time over a limited period, which in turn have helped prevent or reduce mass redundancies. Other types of agreement have involved mutual concessions by the social partners in terms of work force flexibility.

Meeting the needs of workers and companies

39 That being said, future developments need to take account of the fact that the new division of labour and individual aspirations will tend to

upset traditional ways of structuring working time and time outside the work place.

Accordingly, the current policies developed by governments and by the social partners at different levels are strengthening the trend towards reducing and diversifying periods of working time. In order to meet the current economic and social challenges we need to draw up a new "social contract" which embraces the variety of situations and of individual workers' needs and aspirations together with the constraints imposed by companies' needs within a broader approach, leading to a social project in which collective bargaining can create jobs and improve living conditions in- and outside the work place, including reconciliation of family and professional responsibilities.

Organising work and working time in more varied ways also requires the development of supporting structures and measures and, so, the creation of jobs in sectors meeting both the new needs arising from work organisation and the need for access to a broad range of public and private services, as a result of the periods of time which are released.

Working less to provide work for all

40 A policy providing for general reductions in individual and collective working time can have a much more global effect by aiming to optimise productive capacity whilst redistributing the work available and catering for changing individual and collective needs.

We now realise that working time needs to be seen over a person's whole working life - taking into account training periods and family and social responsibilities - however the working week will remain the key reference point even if it is part of longer periods.

The objective - which the ETUC has been pursuing for years - of a thirty-five hour week, negotiated and coordinated between the various levels affected, has been and will remain the major mobilising issue for the trade unions. Although it has led to a series of agreements in several countries with convergent objectives if differing details, the thirty-five hour week has still by no means been implemented everywhere.

In the current context of mass unemployment, we must keep open the option of even more ambitious objectives on working time (such as the 32-hour week, the four-day week and phased retirement), underpinned by

policies leading to sustainable jobs.

In this context the ETUC considers that productivity gains should primarily be channelled into creating or maintaining employment, amongst other things by financing reductions in working time.

Promoting freely-chosen part-time work

41 A better form of adaptability, leading to more varied forms of employment such as freely-chosen part-time work, could satisfy companies' requirements whilst also meeting the varied needs of working men and women in terms of time.

Freely-chosen part-time work can be an important part of employment strategies. This presupposes that those employed part time enjoy the same level of security and the same chances of promotion and are treated on an equal basis with those working full time, with regard, for example, to trade union rights, social security entitlements, working conditions, the working environment, the right to training, career possibilities and priority of access or return to full-time and permanent jobs. It also means that people in managerial and/or senior positions can have access to part-time work.

Unfortunately, today's form of part-time work tends to reflect employers' need of atypical, flexible, low-cost jobs rather than the need of workers of a decent job with shorter working hours. Existing part-time work arrangements too often discriminate against women in terms and conditions of employment and are devoid of provisions for equal treatment and for adequate individual and collective labour and social protection rights.

The ETUC considers, however, that forms of part-time work which are freely-chosen, and so not subject to the threat of redundancy, and are based on collectively-agreed regulations, can accommodate the needs of both male and female workers whilst fitting into a wider approach of promoting positive flexibility in the interests of both workers and companies.

This positive effect can only be attained if part-time work is no longer considered as "second-rate" employment for "second-rate" citizens, but is underpinned by the same social, legislative and trade union guarantees applying to full-time jobs.

However, even if these guarantees are met, as long as part-time work is confined to low-status jobs it will never become "first-rate" employment. Furthermore, unless part-time work is also freely available to all male and female workers in all sectors and at all levels of employment, labour market segregation will be reinforced and the gap between those who have decent employment, and those who do not, will increase.

Thus organised part-time work could provide new opportunities in terms of personal development and education, leisure time, care and upbringing of children and care of other dependents. If these conditions are met, freely-chosen part-time work can be a source of jobs.

However, as well as the element of choice, working people should be entitled to care time. All workers should be allowed, at any stage in their working lives, to take time off for carrying out family responsibilities either on a full-or part-time basis, and, as a priority, for urgent family reasons.

42 Accordingly, the comprehensive strategy which is needed to meet the challenges with regard to organisation of time will need to combine both legislative measures and collective agreements, since neither the public authorities nor the social partners can solve these problems on their own.

So the public authorities, including those at European level, need to be made to play their role of providing a legal framework and support measures, particularly through fiscal and social incentives, and the social partners need to be made to play their role, too, which is to find innovative solutions to the problems within their scope.

At European level that should lead to the amendment of the directive on the working week, including restrictions on overtime, and the rapid adoption of standards on protection of employees in atypical and, more particularly, part-time employment.

In addition, framework directives on educational leave, leave for family reasons and progressive early retirement and retirement should be included within a group of initiatives demonstrating the political will to tackle problems relating to working time and time outside the work place.

As for the social partners, they should assume their responsibilities by implementing the Social Protocol of the Union Treaty and negotiating framework agreements, which should be coordinated with legislation on part-time work, educational leave and leave for family reasons.

The 8th Congress commits the ETUC to :

- conduct a European campaign to obtain negotiated general reductions in, and adaptations to individual and collective working time, as part of the job-intensive growth strategy which is still needed;
- pursue the objective of a 35-hour week whilst leaving the way open to more ambitious objectives, such as a 32-hour week, a four-day week and phased retirement;
- ensure that part-time work is chosen freely and voluntarily and is based on legislation and collective agreements which guarantee equal treatment in terms of employment and associated social rights;
- ensure that the future growth in part-time work is not confined to low-status jobs;
- pursue the establishment, at European level, of a binding framework, based on legislation or collective bargaining, which covers different types of job, facilitates the combination of professional and family life and meets training needs. and family life and meets training needs.

VI. Social Europe - the vehicle of European integration

The social dimension - a pillar of European construction

43 The failure to tackle unemployment effectively and the weakening of social rights are major contributory factors to the diminished credibility of European integration in the eyes of workers and citizens.

Putting Europe back to work is therefore essential if the Union is to be given new momentum and a broad and solid consensus is to be built up again around the European project. The White Paper presents ways of improving competitiveness, growth and employment concurrently. What is still missing is the will on the part of governments and employers to commit themselves to pursuing the regeneration of the European economy whilst safeguarding the fundamental values and pillars of our particular model of development.

Within this framework, the social dimension is an essential element of European integration. It is not merely optional; on the contrary, in its regulatory function, the European Union must ensure that the economic dimension and social cohesion go hand in hand so as to meet the challenges of the future.

For a Social Union in 1996

44 Yet the process of European integration has been marked from the outset by a major imbalance between the economic and social dimensions, not in terms of declaring objectives but in terms of the absence of adequate instruments intended to implement the latter. That imbalance was accentuated when the internal market was completed and will be even more flagrant if Economic and Monetary Union comes into force without there being any substantial progress towards real convergence and a clear reduction in the levels of unemployment.

Hence the importance of the White Paper on social policy, which is very timely and could help redress the social deficit if it leads to consistent initiatives. Its general philosophy reflects the will to develop the European social model. However, although the ETUC regards the importance attributed to the role of the social partners and the social dialogue as a positive choice, it must not signal any abdication by the European legislative authorities of their essential responsibilities in the area of social policy.

This is true in general, though more specifically with regard to social protection. Faced with the constraints imposed in order to bring about the Economic and Monetary Union and their impact on social security systems, social protection is becoming an area for competitive devaluation between Member States. It is therefore essential to waste no time in drawing up a binding strategy at European level geared to upward convergence of employment and labour market policies and social welfare benefits.

The Constitution of the Treaty, to be revised in 1996, needs to enshrine the principles contained in the Charter of Fundamental Social Rights. The levels of protection which are guaranteed must in no respect be inferior to those provided for in the conventions of the International Labour Organisation and in the Social Charter of the Council of Europe. Moreover, the Social Protocol and the Social Agreement must be incorporated in the Treaty, thereby ending the unacceptable UK opt-out. A general clause ensuring non-regression with respect to existing rights provided at national level needs to be included. The amended Treaty should also recognise, at European level, the transnational rights of association, free collective bargaining and trade union action, including strike action, which are currently expressly precluded. The ETUC regards that recognition as an essential objective for 1996.

45 Whilst the European model must remain the basis for future developments, it must also be adapted to the requirements of the new integrated area, by bringing working conditions and social provisions up to the highest standards in order to prevent social dumping.

At the same time, new rights resulting from general developments in Europe need to be recognised, incorporated in legislation and implemented.

This applies in particular to the right to freedom of movement for people and to equal treatment.

These rights, which should also promote increased professional mobility, require the dismantling of internal border controls within the Union, harmonisation of residence criteria in all Member States, recognition of diplomas or equivalent professional skills and qualifications, access to information on the labour market, and the safeguarding, without any discrimination, of crossborder workers' social security rights, including access to health care.

It is essential that special procedures and machinery are set up to protect crossborder workers against any unilateral changes to social and taxation legislation made in the State in which they work or live.

Legislation and bargaining : the two paths for social Europe

46 European social policy has made very little progress, except in the area of health and safety at work (provided that there is adequate implementation) and, more recently, in that of employee information and consultation in European-scale undertakings.

We are all too aware of the political obstacles and blockades which have caused the delays in implementing the Social Action Programme, based on the 1989 Charter of the Fundamental Social Rights of Workers, the weakening, compared to the Commission's initial proposals, of the content of several directives adopted by the Council.

The ETUC calls for the speedy completion of the SAP, with the determined use of the Social Protocol in the event of action being blocked by the Fifteen. The priority should be the adoption of the proposals still pending in the Council on atypical contracts, cross-border sub-contracting, parental leave and reversal of the burden of proof, and the transformation of the recommendation on sexual harassment into a directive.

The fourteen signatory countries have a duty to act in accordance with the political will they expressed at the time and to put into practice the principles set out in the Charter.

47 The European Union has a long way to go in harmonising working conditions and establishing a bedrock of binding minimum social standards. If social progress is to be achieved and social dumping eliminated, account will need to be taken of basic social rights and - in view of the internationalisation of the economy and developing European integration - of rights which ensure future challenges are in a socially-acceptable manner.

The Social Action Programme adopted by the Commission on 13 April 1995 does not, unfortunately, go far enough along these lines, in spite of the positive statements on the European social model and the priority accorded to employment.

The weakness of the proposals will not only prevent the reinforcement of the social framework, the basis for which had been reaffirmed in a resolution adopted under the German Presidency in December 1994, but will also hinder the qualitative development of the Social Dialogue.

At a time in which social cohesion is under threat in many Member States, this minimalistic conception of the Union's role in social policy will do nothing to regenerate the action and hope inspired by the 1989 Community Charter of Fundamental Social Rights and the accompanying Social Action Programme.

The ETUC calls more particularly on the Commission to make a firm commitment - in the revision of the Treaty in 1996 - to integrate the Community Charter of Fundamental Social Rights, the Social Protocol and Social Agreement of

the Maastricht Treaty, and to guarantee, in particular, the transnational rights of association, free collective bargaining and collective action, so that social policy is anchored in the Constitution, the Union's competence is broadened and qualified majority voting is extended.

What is needed is a real strategy for a Social Union, which should be implemented through the upward convergence of social policies and provisions.

When the Charter is incorporated in the Treaty - coupled with a general clause providing for non-regression on social policy - the opportunity should be taken to extend and update the Treaty and ensure it covers both workers' and citizens' rights.

The ETUC wants the Social Action Programme to be strengthened, with the proposals currently blocked in the Council being adopted rapidly or resubmitted under the legal basis of the Social Protocol (such as those on cross-border subcontracting, atypical employment and reversal of the burden of proof).

The ETUC's priority policies and proposals are :

- the inclusion of social provisions in public contracts;
- equal treatment of crossborder workers and improvement of the latter's living and working conditions;
- protection in the event of individual redundancy;
- protection of trade union delegates;
- protection of personal information concerning workers within a firm;
- the right to paid leave and paid sick leave;
- democratic participation of workers;
- the right to social protection covering unemployment, illness and ageing, including the right to health care;
- the right to a decent minimum income and a decent basic pension;
- integration of people excluded from the labour market;
- measures to oppose all forms of discrimination and, more particularly, provision for equal treatment of workers from third countries who are residing legally within the Union;
- promotion of childcare and eldercare facilities;
- the Directive on the right and conditions of access to continuing vocational training throughout one's working life;
- the Directive on protection of home workers;
- the Directive providing for an obligatory annual social report, which contains, inter alia, quantitative and qualitative employment trends in companies and comparisons of male and female employment levels;
- the Framework Directive on the role of labour inspectorates;
- the inclusion of social partner observers from EEA countries and CEECs in the advisory committees of the European Commission.

48 The ETUC maintains that social policy must be based on standards, based on legislation and collective bargaining, which are laid down at European level, on complementarity and compliance with collective agreements including the transposition of EU legislation at national level, and on compliance with international standards. Nevertheless, since the European Union should aim for progressive social advances and economic democracy, the ILO conventions and recommendations, such as the Social Charter of the Council of Europe, which needs to be ratified by all Member States, are a yardstick which should not be open to derogations.

The social objectives and implementing principles must be laid down in directives and regulations. This "framework" approach should promote sensible subsidiarity practices by the Member States and/or the social partners to implement the social objectives. However, the transposition and application of directives has been very problematic and has shown up the ineffectiveness and incoherence of the procedures and failure to act on decisions. The ETUC proposes the establishment of an implementation and monitoring procedure with provision for sanctions in the event of the failure of States to meet their obligations. The Economic and Social Committee could be a suitable "observatory" for overseeing this procedure, thus enabling social partner involvement.

49 The Social Protocol to the Treaty on European Union has opened up a path to social Europe via collective bargaining. Having committed itself wholeheartedly to that approach, the ETUC regrets the fact that it has so far not been used owing to the hostile attitude of the employers, above all UNICE.

Convinced that the social partners have a key role to play in defining working conditions and labour relations, the ETUC confirms its attachment to the qualitative development of the social dialogue, with a view to establishing sound industrial relations at the European level and to negotiating framework agreements at inter-sectoral and sectoral level.

Extending the social model beyond the Union

50 Far from being constrained within the borders of the EU, the struggle for social progress must be extended to the East and the South.

The situation is particularly difficult in the CEECs and the Baltic countries, owing to the constraints imposed by the

continuing economic transformation process, but also as a result of the policies carried out by governments, which are not sufficiently concerned by the social dimension.

In the short term, the problem for the Union is not only that of providing increased support for the transformation and development of the economies of the CEECs by extending their access to our markets and promoting investment and technology transfers; it is also a question of helping them - always respecting their specific situations - to implement active labour market policies and to construct comparable support systems.

It would be quite unacceptable for social dumping to become state policy in those countries and for their development to be achieved essentially on the back of low wages and inadequate social protection. The social dimension of all of the aid and cooperation programmes (PHARE and others) must therefore be strengthened, in terms of their social content, the Structured Dialogue determined by the Essen Council needs to include the social dimension and the European Association Agreements with the CEECs need to include this field to a greater extent.

At the same time there is also a need for a new EU-Mediterranean partnership for development, including a substantial social dimension, which in turn will require ongoing, structured trade union cooperation.

51 The GATT agreements open the way to increased trade and ought to contribute to the regeneration of the European and the world economies. It must be ensured, however, that the reduction in trade barriers leads, in reality, to balanced and sustainable economic growth, the creation of skilled and stable jobs and the improvement of living and working conditions. That is why the ETUC, together with the ICFTU and the WCL, has been insisting that the new regulations governing world trade take social and environmental needs into account.

The World Trade Organisation should ensure that fundamental labour standards and trade are linked, on the basis of the relevant ILO conventions on forced labour, child labour, all forms of discrimination at work, freedom of association and the right to free collective bargaining.

Recognising that the introduction of similar provisions in the Union's Generalised System of Preferences represents progress in political terms, the ETUC will ensure the latter are effectively implemented as quickly as possible.

What is more, any trade and cooperation treaties or agreements to which the Union is a party should include social clauses containing positive incentives and clauses on the observance of human and democratic rights.

The 8th Congress commits the ETUC to :

- rally support for the establishment of a Social Union in 1996, whereby the Constitution of the Treaty enshrines the principles contained in the Charter of Fundamental Social Rights, together with the Social Protocol and Social Agreement. The amended Treaty should include a clause ensuring non-regression with respect to social provisions and recognition of the transnational rights of association, free collective bargaining and trade union action, including strike action;
- press the Council to complete the current Social Action Programme as soon as possible, and lead a campaign aimed at strengthening the new Social Action Programme so that it provides for the upward harmonisation of working conditions and the creation of a bedrock of binding minimum social standards;
- seek to ensure the effective transposition and implementation of directives and press for the establishment, at European level, of an implementation and monitoring procedure with provision for sanctions where States fail to meet their obligations;
- press for the establishment in the CEECs of comparable social systems and the inclusion of social clauses in international trade agreements, so as to establish basic social rights worldwide.

POWERFUL PEOPLE

VII. Building a more powerful European trade union movement

Trade unions fitted for tomorrow's Europe

52 Increasing European integration and the competence given to the Union in a series of policy areas mean that ever fewer economic and social decisions are being taken from a purely national perspective. That trend has been reinforced through Internal Market completion and will be further strengthened by the establishment of Economic and Monetary Union. At the same time undertakings are taking on an increasingly transnational dimension.

Given these developments, if the trade union movement is to retain its influence, negotiating power and representativeness it cannot afford to restrict its scope to national level. The emergence of new economic and political power systems at European level calls for the establishment of a countervailing force by the unions.

This necessitates common objectives and common negotiating strategies, mechanisms for European trade union action to back up these objectives in the event of dispute, and real cross-border coordination.

53 As well as needing to develop a coordinated and coherent European trade union strategy, the unions throughout Europe currently face the challenge of a largely hostile political environment coupled with the urgent need to adapt their policies and structures to a labour movement which has changed radically compared to its traditional bases. The organisation of new categories of workers needs to be developed, including workers in atypical jobs and particularly those in SMEs.

That last requirement is essential to ensure the modernisation and representativeness of the unions and to avoid the threat of splits and corporatist tendencies by developing new forms of solidarity through which they will be able to remain the unifier of the labour movement in all its diversity: blue- and white-collar workers, public service employees, professional and managerial staff, unemployed and retired people. The reforms of models of representation, negotiation and participation which are being contemplated in several countries should be based on a common approach in order to facilitate the convergence of European trade union structures and practices.

Another challenge for the trade union movement is to attract more young people into their organisations. In general the average age of the trade union members has increased in recent years. This may endanger the future of the trade unions. It is therefore of utmost importance that special campaigns and activities, which take into account the different cultural approaches and practices of young people, are organised, aimed at getting young workers involved in trade union activities.

54 In this context, women's involvement in trade unions is vital. At a time when more and more women are present on the employment market and that a large and, in general, growing proportion of trade union members are women, an in-depth review of trade union policies and demands from a gender perspective is essential.

This involves first and foremost cultural change, but it also means adapting trade union practices and the ways in which trade unions are organised and operate so as to allow women to get more involved in trade union life and thus to fulfil leadership roles in trade union structures at all levels to a much greater extent than has been the case hitherto. A more balanced organisation of men and women within the unions would make them more democratic.

The ETUC calls on all affiliated organisations to take measures and implement programmes in order to facilitate women's participation in trade unions.

A more influential ETUC

55 The ETUC's ambition is to help to meet these challenges by providing the essential coordination of action at the European level at a time when it is imperative to provide a European framework if that action is to be effective.

Whilst the ETUC has developed considerably throughout the twenty years of its existence, other steps need to be taken to enable it to meet the labour movement's need to speak with one voice at European level and give a clear structure to trade union action at that level.

That will require the ETUC to identify the common

objectives of national collective bargaining policies so that they are expressed in a convergent manner at European level. Positive results can be obtained if these aims are supported at the different levels by member organisations.

It also means there is a need to strengthen the ETUC and make it even more efficient at all levels - i.e. at the sectoral, inter-sectoral and Euro-regional levels - and to develop further the operations and activities of its own research, training and information instruments.

The industry committees in particular have a crucial role to play for the future of European trade unionism. Since the 1991 Congress they have become increasingly integrated into the Confederation owing to the extension of cooperation on trade union policy. This mutually beneficial process has also strengthened the trade union movement as a whole. It should be extended and deepened without, of course, impinging on the autonomy of the committees in their respective fields, in order to increase the representation, coherence and efficiency of the ETUC, especially in view of the new opportunities now emerging for the Social Dialogue and European-level collective bargaining.

EUROCADRES also has a specific contribution to make and shows the ETUC's commitment to the particular category of workers it represents.

In its specific area, the FERPA represents the increased ability of the unions to organise retired workers and older people, who make up an increasingly significant group within European society.

Through the work of the Interregional Trade Union Councils (ITUCs), which are an ideal testing-ground for European trade union cooperation, the ETUC is able to determine and carry out proactive policies in the Euro-regions.

Strengthening the ITUCs, together with the cross-border EURES, will thus lead to better protection of the interests of workers in these regions and also allow the ETUC to reach a wider audience.

56 The ETUC needs to be more effective. Accordingly, it needs to increase its influence vis-à-vis the European Union, the Council of Europe and other European institutions. At the same time the ETUC should strengthen its position in the inter-sectoral Social Dialogue and also the sectoral Social Dialogue, via the European industry committees.

We must step up the influence we exert on the legislative and decision-making process by using to better advantage the opportunities for approaching the relevant institutions while at the same time ensuring better coordination between ETUC action and the initiatives the member organisations take to approach their respective parliaments and governments. The European Parliament is the key supporter and most effective advocate of trade union demands.

In this respect the ETUC-MEP Trade Unionist

Intergroup, the Workers' Group of the Economic and Social Committee and the trade union delegations in the Standing Employment Committee and the various other European advisory bodies all have a key role to play. All of these instruments and procedures must be used more consistently.

57 With regard to relations with the employers, the qualitative development of the Social Dialogue must be pursued resolutely and, above all, its collective bargaining dimension must be used. That applies to the inter-sectoral level but also the sectoral level, in which the ETUC needs to support the initiatives of the European industry committees.

To enable the ETUC to get involved in real European negotiations, the ETUC's affiliated organisations must vest it with the authority and mandates needed in individual cases for reaching binding agreements, and must themselves actively participate in the activities of the Social Dialogue and ensure that these are integrated in their trade union work at all levels. The European industry committees are faced with a similar situation.

To that end a rapport de forces needs to be established in relations with employers and the ETUC must be in a position to develop its coordinatory role and its capacity for mobilisation, so that it can generate, when required, large-scale European trade union action such as that on 2 April 1993; at the same time it needs to attempt, with its affiliates, to invest national events with more of a European dimension.

Developing bargaining at European level

58 In the period following the VIIth Statutory Congress, two outstanding events took place in the social field as the result of the commitment of the European trade union movement: the conclusion of the agreement between the ETUC, UNICE and CEEP on 31 October 1991, which was taken up in the Social Protocol to the Treaty, and the recent adoption of the directive on procedures for informing and consulting employees in European-scale undertakings and on European works councils.

The Social Protocol acknowledges that the social partners should play a key role within the legislative procedure. And, in addition to that, it establishes a legal framework whereby the social partners can open negotiations with a view to concluding binding European agreements, which would be implemented either by the social partners themselves, in accordance with national practice, or through a decision by the Council of Ministers.

The ETUC is keen to make the most of these new possibilities and to use them to support the development of European inter-sectoral and sectoral collective bargaining on issues with transnational implications, thus consolidating

national-level bargaining, which needs increasingly to integrate this European dimension. The ETUC's long-term objective is to establish a European system of industrial relations.

Unfortunately, there has been a failure to apply the collective bargaining dimension provided for by the Social Protocol, since the employers are still refusing to assume their responsibilities with regard to the increasingly urgent need for social regulation following the integration of Member States' economies and the completion of the internal market.

In order to make progress, the ETUC and its affiliates will take action to get rid of the obstacles in the path of European collective bargaining.

59 The directive on information and consultation in transnational undertakings is, in turn, a major breakthrough for the European trade union movement.

It is an opportunity and a challenge in one. It is a unique opportunity in that it affirms the legitimacy of transnational employee representation and obliging management to negotiate with employees' representatives on the establishment of permanent information and consultation structures and to ensure that they operate. And it is a tremendous challenge for the trade union movement as a whole, and in particular for the European industry committees, whose task is to give life to and provide a trade union framework for this new opportunity to represent and organise workers in companies which form the hard core of economic, industrial and financial power in Europe.

This important breakthrough should enable the trade unions to improve their structures, to strengthen their capacity for action within multinationals and, in the longer term, to establish common platforms.

The ETUC will endeavour to coordinate the trade unions' positions so as to ensure the directive is transposed in a coherent, homogenous fashion at national level.

To support the European industry committees' strategy of negotiating voluntary agreements, the ETUC will set up a task force which will call on the training, research/analysis and technical assistance resources of its institutes.

Integrating the unions from the East

60 The historic upheavals which have taken place in Europe since 1989 require the ETUC to assume new responsibilities beyond the geopolitical framework within which it was constituted, notwithstanding the need to fulfil its essential task and mandate of representing the interests of the labour movement within the process of European integration.

The ETUC affiliation of the democratic and representative confederations in Central and European Europe is a matter of mutual interest and of growing urgency for the trade union movement. It not only meets the legitimate aspirations of those trade unions to take the place that is their due in the European family of free and independent trade unionism. Through their membership the ETUC will become a more effective instrument for preventing new barriers from forming in the continent and for fighting social dumping with a view to achieving better living and working conditions and to strengthening the legitimacy and the role of the trade unions in the difficult period of transition which the new democracies in Central and Eastern Europe are going through at the present time.

It will be a practical contribution towards strengthening the bonds between the CEECs and the European Union, a strengthening for which the need is growing, also at the social level.

The European Trade Union Forum for Cooperation and Integration, in which a large number of trade union organisations from other countries in the region are partners, needs to develop further its role and activities.

61 Building up trade union counter-pressure in Europe is thus essential in order to ensure that European construction pursues the objective of sustainable and lasting development, capable of creating jobs for all men and women, as well as that of social progress and solidarity.

As a unitarian and pluralist organisation and the representative of the labour movement in all its breadth and diversity, the ETUC sees itself as the instrument which will serve that purpose.

The 8th Congress commits the ETUC to :

- organise, with member organisations, a large-scale Europe-wide unionisation campaign aimed at making trade unions more representative of today's labour movement;
- promote a greater involvement of women in trade union organisations, including in leadership roles;
- strengthen the European-level trade union network to combat social exclusion;
- step up its coordinating role and its mobilisation capacity, in order to give joint expression at European level of the trade unions' demands, based on a clear commitment by the latter, which is essential;
- make every possible effort to free the social dialogue from its current stranglehold, thereby opening the way to European collective bargaining leading to inter-sectoral and sectoral framework agreements;
- seek to ensure the effective implementation of the directive on information and consultation in European-scale undertakings and support the industry committees in their strategy of negotiating voluntary agreements;
- integrate democratic and representative trade union confederations from Central and Eastern European countries and continue to develop even more broadly-based cooperation through the European Trade Union Forum.

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