



IN BRIEF

What's the new social reality of Europe? Labour market reforms are bearing fruit

On 26 February, the Commission published a report, entitled "Social realities stocktaking", which outlines the challenges for the future of the European social model. This exercise first proposed in May 2006, "Citizens' Agenda" Communication, will initiate a public consultation to take stock of present social realities and trends in European societies.

This unprecedented exercise will be based on a consultation paper, a Eurobarometer poll and a special website. The specificity of this consultation is that there is no draft set of proposals, or even policy guidelines on which the Commission is seeking views. The Commission is in listening mode. Results of this exercise may be fed into forthcoming policy initiatives, e.g. the review of the Commission's Social Agenda later this year.

As a starting point for the consultations, the Commission has presented an interim report to the European Council on 8 and 9 March 2007, backed up by a consultation paper prepared by the Bureau of European Policy Advisers (BEPA) of the Commission.

This initiative might mark the starting point of a different approach of the Barroso Commission, criticized for its lack of action on social issues.

Indeed Commission President Barroso said that "At EU level we have rightly examined in great detail the modern challenges of competitiveness. Now it is time to analyse and reflect on an equal footing on Europe's social challenges".

CEC welcomes this initiative as for the European Managers Confederation the internal market integration cannot be addressed without considering its social impact.

The consultation will stretch over the remainder of 2007.

For more information, to read the full BEPA report and to follow the public consultation visit:

http://ec.europa.eu/citizens_agenda/social_reality_stocktaking/index_en.htm

According to the Commission Joint Employment Report, adopted by employment ministers on 22 February - which assesses Member States' implementation of their national reform programmes in the area of employment - unemployment is down and employment on the rise in Europe.

The report states that unemployment in the EU fell from 9.1% in 2004 to 8.8% in 2005 and the employment rate rose by 0.8% in 2005 - the biggest increase since 2001. But a further 22 million new jobs must still be created to reach the EU's 2010 employment targets.

Vladimír Spidla, EU Commissioner for Employment, Social Affairs and Equal Opportunities says that Labour market reforms are bearing fruit, but he underlines the need for more rigorous reforms, in particular towards more 'flexicurity' in order to respond to the challenges of globalisation and demographic changes.

The number of older people in work has risen from 41% in 2004 to 42.5% in 2005, however much more needs to be done to reach the target of 50% in 2010. Young people, as well as disabled and migrant workers, still find themselves on the margins of the job market. Better possibilities to combine work and family life for both men and women are needed, including more and better child care.

The report stresses the need for a more comprehensive approach combining active labour market policies, flexible contractual arrangements, lifelong learning and social protection.

For the first time the Commission has also put forward specific national recommendations to most Member States.

On 22 February the Commission also presented the Joint Report on Social Protection and Social Inclusion to the Employment and Social Affairs Council.

Draft Joint Employment Report 2006-2007
<http://register.consilium.europa.eu/pdf/en/07/st06/st06076.en07.pdf>

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EUROPEAN AFFAIRS

FUTURE CHALLENGES FOR EUROPEAN ENERGY SUPPLY:
POSITION OF THE FECER

Matthias Hessling,
FECER President

A EUROPEAN
ENERGY POLICY IS
ESSENTIAL NOT
ONLY TO TACKLE
THE PROBLEM OF
CLIMATE CHANGE,
BUT ALSO
CREATES NEW,
FUTURE ORIENTED
JOBS

The European Federation of Executives in the Sectors of Energy and related Research, FECER, emphasizes two major challenges for energy policy in Europe: the increased knowledge about consequences of the utilization of fossil fuels for climate change, and the concern for sufficient security of supply.

This situation requires a package of measures, identified in a FECER position paper. As FECER points out, a sensible path for the future includes:

- a much wider geopolitical diversification of energy sources,
- a sharply increased utilization of renewable energy sources, focused on most advantageous locations and technologies,
- a set of instruments and measures, causing significant improvements in energy efficiency and energy savings,

- an environmentally friendly utilization of fossil fuels, based on higher efficiency of power stations and on "clean coal technology",
- the continued operation of existing nuclear power stations, which are characterized by high safety standards.

Coal will play a major role for decades to come. The development of technology for the capture and storage of CO₂ is not science fiction, but rather a must. Europe now has the chance to expand its leading role in the environmentally friendly utilization of fossil fuels and renewable energy sources, and in the development of more energy efficient technology. This is not only essential to tackle the problem of climate change, it also creates new, future oriented jobs.

An ambitious target for the EU to reduce emissions of greenhouse gases has to be welcome. But even more important is that the EU uses all

of its power to bring about similar commitments in other major energy consuming countries.

For such a role, it would be helpful if the EU "speaks with one voice", meaning that more competencies in energy policy matters should be transferred to the European Commission. This also would be helpful to achieve a harmonized competition framework as well as harmonized environmental standards all over Europe. Due to very different energy policies and very different energy supply structures in the various member countries, however, such transfer of competencies requires utmost sensitivity.

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FECCIA WAITS TO SEE THE CONCRETE APPLICATION OF REACH

The REACH regulation on the chemicals will come into force in mid year 2007, following the European Parliament's vote.

FECCIA (the federation.....) militates so that the application of this regulation represents a benefit for the employees and does not lead to job losses in this very dynamic sector, bearer of a lot

of innovation within the framework of sustainable development.

FECCIA is conscious of the future difficulties, starting with the lack of budgetary means. The operating cost of the European agency (Helsinki) is growing. The teams of experts are insufficient, at European and at national level. Industries will rationalize their range of products in a more or less forced way, because of the "domino" effects on the supply chain.

FECCIA asks the EU Member States and the industries to coordinate their actions. Each industry will have to "pre-registrate" its products to be able to continue to sell them. Each Member State

will have to create a REACH agency. The REACH regulation is a real challenge for European industry, its employees, environmental protection and consumers' health.

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LEDERNE IN NORWAY:- WORLDS LARGEST OFFSHORE OIL AND GAS MERGER IS POSITIVE

SOCIAL AGENDA

Statoil and the oil and gas division of Hydro will be merging their two companies, creating the largest company in any of the Nordic countries and the largest offshore oil and gas producer in the world.

Lederne, the Norwegian association for management, engineering and expertise development, is positive to the merger but cautious on behalf of their members.

'We will be following the process closely in order to participate in a long term and through integration process between the two companies. I believe this merger will be positive for both companies as well to Norway generally. It is only natural for any organisation to be worried in such processes. However, I

believe our members won't have much to fear in terms of loss of employment. On the contrary, our members may well be getting new opportunities', says Jan Olav Brekke, president of Lederne.

The majority of the working personnel organised by Lederne will probably not be affected by the merger as they are working in the operative parts of the companies. There will not be less oil platforms in the North Sea as a result of the merger.

Also, one of the main reasons stated for the merger is the need to grow and develop the existing expertise in both companies. This will in turn give the new company a strong position

when competing against other companies about access to oil fields internationally.

'We need our focus to be on the fact that behind this decision there is a broad political agreement that we can't do much about. Both boards, both general assemblies and most politicians across the political parties agree about this merger. Therefore, we will focus on the opportunities and what is positive about this merger', says Brekke.

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COLLECTIVE AGREEMENT NEGOTIATIONS IN SWEDEN

The beginning of 2007 has been intense regarding labour market issues. Two major events characterize the winter/spring period: the new governments' changes in the unemployment benefit system and the present wage negotiations.

The fact that the events coincide with a debate regarding whether the "Swedish labour market model" is being threatened by the development of common labour law in EU makes it even more interesting.

Unemployment benefit system

In January the unemployment benefit societies lost approximately 30 000 members due to higher fees for members. It might seem a small number, considering the fact that a majority of employees are members of the insurance. However this is only the first month and later this spring the full scale effect upon the unemployment system will be clearer.

The changes of the unemployment benefit system have had great impact upon the unions in Sweden. Despite being independent, the societies play an important role in gaining new union members.

Partly for this reason, many unions are very active in the wage negotiations, thus justifying the members' fees. It is still impossible to estimate how many members have left the unions as an effect of the new unemployment benefit rules.

The wage negotiations

This year the wages of more than 3 000 000 workers are included in the wage negotiations. This, of course, brings both unions and employers to participate in the quest for media space – setting the agenda is key to obtaining increased member support and perhaps, due to changes in unemployment benefit system, refraining doubtful members from leaving.

Expectations are high since Swedish economy is currently having an upswing. The unions generally ask for 4 percent raises. Negotiations take place until mid-autumn.

Public holidays should be neutral

Why should a Muslim and someone from China have New Years vacation December 31, when they might celebrate it January 20 or February 17? One employer organisation, Almega, suggests making holidays neutral to religion, thus giving employees the chance to place their holidays when it suits them. More flexibility is good for all parties.

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MEMBERS' ACTIVITIES

CROMA CERTIFICATES FOR SUPERVISORY BOARD MEMBERS



Website:

www.croma.hr

Croatian Manager's and Entrepreneurs Association - CROMA has last fall launched the first national Code of Corporate Governance based on the Caux Round Table principles and best EU practices.

Among other provisions, there is a call for Board members of public stock companies to invest additional efforts in improving professional competencies and skills, in meeting their duties and maintaining all stakeholders' best interests.

CROMA has thus developed

two levels of education curriculum (for those already are appointed Supervisory Board members and others willing to enrol in order to get the certificate). The programme is carried out in cooperation with the Economic faculties of Zagreb and Split universities as an introduction into a life-long learning concept of permanent improvement of practical management skills (for details visit: www.efzg.hr or www.efst.hr).

Basically, it is composed of five weekend of in-class

learning modules, including individual mentorship and literature, for the final exam upon which a certificate will be issued for a period of two years. During that period of time "students" are expected to take at least two more modules of their choice per year to renew their certificates.

Simultaneously, CROMA is creating a national database of certified supervisors who are willing to offer their services to potential employers.

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CAUX ROUND TABLE CHAPTER CROATIA

Website:

www.cauxroundtable.org

On the occasion of the signature of the cooperation agreement between Caux Round Table (CRT) Global and CROMA and under the auspices of the President of Croatia Mr. Stjepan Mesic, an international conference on "CSR & Profitability - Two Sides Of the Same Coin" will take place in Varazdin on March 22-23, 2007.

Key note speakers from all around the globe will be present among others: Lord Danniel Brenan (president of the CRT, UK), Ph.D. Stephen Young (Global Ex-

ecutive Director of CRT, author, USA), Prof. Yury Blagov (St.Petersbourg State Univ, Russia), Prof. Heribert Schmitz (vice president HP Corp. Germany), Roberto Zangrandi (Board member ENI, Italy) and Hiroshi Ishida (Nissan-Renault, Japan).

A formal inauguration of CRT Chapter Croatia will take place with the mission to promote the values and principles of moral capitalism in both corporate and government sector as a way out for Croatia to search for

its proper identity and along the process of joining the EU.

Symbolically, it was in the Swiss village Caux that the first foundations of the European Economic Community were laid half a century ago, while the Caux Round Table nowadays strives to promote global concept of corporate world responsibility for dignity of work and sustainable growth.

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2007: OFFICIAL LAUNCH OF ETIC



Website:

www.etic-managers.eu

Many changes punctuated the decisions taken at the Congress of MediaManagers held at the seat of the Belgian confederation CNC-NCK in Brussels. From now on, the CEC federation of Information technologies, Communication & media and Telecommunications is called... eTIC_cec.

The General Assembly thus wished to confirm its focusing on these leading technological sectors whose constant evolution durably transforms the companies and the society as a whole. The members of eTIC_cec, European managers and executives of these sectors, actors in the forefront of this social mutation, are particularly aware of its consequences. They wish to

fully play their role as European sectorial social partner, so that the European Union builds its economic success on scientific and technologic development without neglecting the social and human dimension.

These statutory meetings have shown the renewed dynamism of this European federation member of the CEC.

During the next annual meeting with the presidents of the CEC European federations to be held in Brussels in March 2007, the eTIC_cec federation will present the progress of its development project of a European Network and of its socio-

economic study on its sectors at European level.

In April, the new team of the Steering Committee, in presence of the President Catherine HOULMANN and the Secretary General Sebastian MÜLLER, will meet their Italian colleagues at the seat of federation FEDERMANAGER in Rome.

In June, the eTIC_cec federation will take part in the European conference of the CEC organized in Stockholm within the framework of the European year of equal opportunities for all.

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THE ROLE OF MANAGERIAL STAFF AND PROFESSIONALS IN THE PREVENTION OF LABOUR RISKS DEBATED IN SPAIN

The Confederation of Managers and Professionals of Spain (CCP) and "Mutua Universal" organized a day of Prevention of Labour Risks that took place in December in Madrid in the central office of the National Institute of Security and Hygiene at Work.

Mr. Angel Rubio, Director of the Institute of Security and Hygiene at Work, emphasized the important advance in preventive structures in Spain and said that "the index of labour accident rates is decreasing". He also insisted on the fact that "the company must assume the prevention of the labour risks through the professionals and managers that play an important role in the prevention system".

The Director of the National Institute of Qualifications, Mrs. Francisca Arbizu, underlined the importance of the workers' professional qualification and of creating a professional qualification for the

intermediate management. She added that the formative supply should be renewed with an updated catalogue: "Of the 20 million workers, only 9 and a half millions have an accreditation of their professional qualification". It is necessary "to have documents" that prove the professional qualification for a cooperative European labour market.

The Chief Prosecutor for labour risks and accidents, Mr. Juan Manuel de Oña, analyzed the problem of labour accident rate from the legal and criminal perspective, pointing out that: "the culture of prevention is an ethical necessity and should also be regulated in order to adopt the necessary legal measures". He clearly expressed that "the risk crimes are hardly being prosecuted, although they are reflected in the penal Code".

The Confederation of Managerial Staff and Professionals and "Mutua Universal" pre-

sented the Project "Integration of prevention in the company through the hierarchic line" to help managers and professionals in their responsibilities through a training plan.

The end of the lecture was dedicated to the integration of the labour risks prevention through the collective bargaining. Representatives of CEOE (employers) and of the labour organizations Comisiones Obreras, UGT and the CCP exposed their points of view with the objective of implicating and integrating the managers and executives in all the process. The conference was closed by The Manager of the Regional Institute of Security and Health Mrs. Dolores Limon, who analyzed the labour prevention in the Community of Madrid.

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SERBIAN OVERVIEW – SERBIAN ASSOCIATION OF MANAGERS

The Serbian Association of Managers (SAM) is a non-profit, non-governmental and non-political organization founded by its members in November 2006 in Belgrade, which is gathering successful Serbian managers from local and international private and public companies operating in Serbia.

The establishment of the SAM has been morally supported by the CEC, as well as by representative of the Serbian Government Mr. Vlatko Sekulovic (Deputy Minister of Foreign Economic Relations), who has greeted the founding members during the constitutive Assembly meeting.

The mission of the SAM is enhancement and promotion of the management profession in Serbia, exercising articulated influence on decision makers in the public policy domain towards efficient establishment and improvement of conditions for private sector development in Serbia, in accordance with the EU and OECD standards.

The SAM emphasizes potential benefits of the bilateral and multilateral cooperation with the purposes of sharing of the best practices and business networking with similar associations from other European countries, North America and Australia.

The Serbian Association of Managers has established fruitful cooperation with the Management Association of Slovenia.

In the frame of SAM's comprehensive program of activities for 2007 it is planned to establish numerous partnerships, from the academic to governmental and business circles, both internationally and in the country itself. In the field of improvement of managers' profession, SAM is already organizing numerous education and knowledge-sharing events for its members. Seminars, mentoring and training in the fields of business and development of management profession are planned on the regular monthly basis, with both

international and domestic speakers. Also, a pioneering research project is being prepared, which will deal with the status and position of managers, as well as corporate governance in Serbia, since there are no valid and official data about these topics in the country. SAM's intention is to provide proposals for the continuous improvement of the regulatory framework for the profession of managers in Serbia through establishing a "Legal clinic" and by compiling for the first time the complete body of the relevant legal acts that regulate the management profession. In this context the SAM will strive, as representative professional association, to establish Code of Ethical Conduct for Managers, which will serve as a direction and a recommendation to the business community.

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Website from April 20:

www.sam.org.yu

CEC EXECUTIVE BOARD MEETING IN BERLIN, MARCH 4 AND 5, 2007
CELEBRATION OF THE 50TH ANNIVERSARY OF ROME TREATY



On the occasion of its Executive Board meeting, the CEC will celebrate the 50th Anniversary of the Treaty of Rome in Berlin on:

Sunday 4th March 2007 at 20:00:

With a special dinner to celebrate the 50th anniversary of the Treaty of Rome

The Executive Board will meet on:

Monday 5th March 2007 – 10:00-13:00

The officers will then be received by the German Minister of State in the Chancellors Office at 15:00

CEC CONFERENCE ON EQUAL OPPORTUNITIES, 7 AND 8 JUNE 2007, STOCKHOLM

"Better Performance through Diversity – Equal Opportunities as an Asset for Tomorrow's Management"

"2007: European Year of Equal opportunities for All"

Despite extensive European legislation on guaranteeing equal opportunities on the labour market, some categories of the population are still confronted with discrimination concerning the access to employment or in their career (women, elderly, ethnic and religious minorities, gay and lesbian people, disabled, etc).

This situation can seriously undermine European achievements and values and damage social integration in the labour force. Fair access to the labour market and to occupational benefits are a prerequisite for social cohesion.

Diversity confronts us with new patterns of employment, consumption, and ways of thinking to which we have to adapt but also brings an incredible richness that we should take advantage of.

Managing our diversity by ensuring fairness and equality is becoming crucial in today's changing and complex society.

Some successful organisations understand these changes and see the **benefits of promoting diversity:**

- **Benefits for companies** themselves because diversity means more creativity, innovation, efficiency and improved corporate image;
- **Benefits for individuals** because diversity means open mindedness, cultural exchange, mobility;
- **Benefits for the entire society** because diversity means more tolerance, better integration and social cohesion.



2007 — European Year of Equal Opportunities for All

Objectives of the conference

The CEC conference aims at **raising awareness** of all stakeholders on the advantages of **promoting a diversity policy in the companies**. CEC will focus on **good practices** on equal opportunity in the workplace and on the **role of executives and managerial staff** both as promoter of diversity and potential victim of discriminative behaviour.

Programme and information soon on www.cec-managers.org



This conference is organized with the support of the European Commission



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ABOUT CEC

The CEC represents 1,5 million executives and managerial staff in Europe organised into national federations and European branch federations. Since the end of the 1980s, the CEC contributes, as a social partner, to the European social dialogue. The CEC has made the task of defending the managers' specific interests its own, while maintaining dialogue with other parties.

CEC is consulted by the European Commission on all initiatives in the field of employment and social affairs (articles 138 and 139 EC Treaty). It is also part of the employees delegation in the negotiation with the employers' organisations at European level.

The CEC promotes a European integration clearly in favour of the principle of performance and competition, but also the social market economy and a value-oriented way of conducting business, since the respect of social obligations is an added value for economy in the long run.