Speech by Padraig Flynn

European Commissioner with responsibility for Employment and Social Affairs

To the Economic and Social Committee

Brussels, 3 December 1998

Ladies and gentlemen,

It is a great honour and pleasure for me to be here with you on the occasion of your solemn session. I want to take this opportunity to wish you, Mrs. Machiavelli, in your role as President, and all of you, the members of this new Committee, every success in your work over the coming years. As the Member of the Commission responsible for relations with your Committee, I want to assure you that I will work to ensure a close and productive relationship between our two institutions.

The Commission greatly values the work done by the Ecosoc. Your predecessors built up a reputation for producing reports which are of a high standard and this has allowed the Committee to play a distinctive role among the European Institutions. Your period in office will see the coming into force of the Amsterdam Treaty, which will further broaden your Committee's role, particularly in relation to the new social and employment issues addressed in the Treaty. This opens up interesting possibilities for your work.

But it is not just the new Treaty which makes this an interesting time. Across so many aspects of European society, we are in a time of change. The world we are entering in the new millenium will be profoundly different from the one we will soon leave behind.

Economic and social transformation is happening at an unprecedented rate, driven by changes in technology, work organisation, demography and political changes such as EMU and enlargement. There is potential here for Europe to make enormous progress, to better the lives of our citizens in so many ways.

On the other hand, there is throughout Europe great anxiety that the future will benefit only some people, that it will weaken the forces and systems by which Europe has created a cohesive and inclusive society over the last fifty years. We face a major challenge: how can we realise the potential of the new dynamism in technology and of the world's largest single economic entity once EMU becomes a reality, while continuing to give our citizens the society based on solidarity and security which they clearly want?

I would suggest that you, the members of the Economic and Social Committee, might keep this challenge in mind. You are here as representatives of various interest groups within civil society. It seems to me that you have the experience and the standing necessary to address this challenge and to help us, in the other EU institutions, to make the right choices as we seek to develop policy against this background of change.

There is, therefore, a lot of interesting work which we might do together over the forthcoming years. It seems to me that there are a number of strands of current activity on the EU stage which you would find very rewarding.

Employment policy is absolutely vital if we are to strike the type of balance between dynamism and security which we need for the future. By equipping people with the know-how to thrive in the new

flexible workforce; by giving them options which will allow them to combine working with family life; by fostering entrepreneurship and the creation of new jobs, by allowing women to participate in work to the maximum – this is how European citizens can continue to find the wealth and security they want. It is also the base from which Europe can maximise the benefits of EMU, of enlargement and globalisation and can face into the period of demographic ageing with confidence.

These are the objectives of the European Employment Strategy, which has been up and running now for a year since the special Jobs Summit in Luxembourg in November 1997. Under it the Member States and EU institutions are working together, for the first time, on an integrated strategy to raise employment levels and reduce unemployment in the EU. There is clearly a willingness to bring about real change and a tightly drawn procedure which will allow us to do so. The Commission drew up its first set of Employment Guidelines and had them agreed by the Council in December last.

Member States submitted their first annual National Action Plans, in response to these Guidelines, in April this year. Their achievements are assessed in the Joint Employment Report and have fed into the development of a new set of Employment Guidelines for Member States' Policies during 1999.

I speak to you here today after two days of Council meetings here in Brussels this week. Our package – our Joint Employment Report for 1998 and the Commission's proposals for Employment Policy Guidelines for 1999 – was accepted by Ministers of both Councils, Social Affairs and Finance Ministers.

This progress is an indication of the depth of political commitment in Member States and at EU level to the strategy. In only one year, the Process has become deeply embedded.

Modernising Europe's employment policies is not the work of one year; it is a task which must go on, year on year. I would urge you to become familiar with the Employment Process as soon as possible and to begin to give thought to how best you can contribute to its further development.

I have already mentioned a further issue of great strategic importance for the future of European society: demographic change.

We are already feeling the impact of radical change in the age profile of the Union. The numbers of older people and the balance between the population of working age and the retired population will change dramatically. This poses major challenges for our labour markets, for pensions systems and for medical and care systems.

Again, as with employment, what we need is to adapt positively to the new environment brought about by the ageing of the population. The fact that our citizens are living longer and healthier lives is a triumph for our medical and social systems, not some sort of social disaster. A large, healthy, active, well-educated and motivated group of older people represents a productive resource which we can ill-afford to ignore. We need strategies which will capitalise on this change, to the benefit not just of older people, but of the whole of society.

In a similar vein, look at the implications of the new technologies which have emerged. Often viewed as a threat to our way of life, they hold, if properly used, great for social progress.

The Commission has just published a Report on job opportunities in the Information Society, which underlines its major role in EU employment. The Commission is calling for urgent, concerted action to remove the barriers that are preventing Europe from taking its place at the forefront of the information age.

The 1999 Employment Guidelines place explicit emphasis on the jobs potential of the Information Society.

This is why we are inviting Member States to draw up comprehensive strategies to address these priority areas of IT policy. And why we want them ready alongside the 1999 national action plans for employment for next June.

You can, I imagine, by this time see a pattern emerging. My vision of Europe's future involves facing up to social and economic change, not hiding from it; seeking to exploit new possibilities for the greatest good, not to shun them.

Similar considerations apply to the need to achieve a new balance in Europe's workplaces between flexibility and security. During November, I secured the agreement of my Commission colleagues to three separate initiatives, all concerned with achieving that balance —and about inviting the social partners to take a lead in that process.

On 11 November, we put forward a draft Directive on the establishment of a framework for EU employers to inform and consult their staff on how to make their business competitive and successful.

On 18 November, we put forward a package designed to bring the sectors and activities excluded from the Working Time Directive into line with the health and safety protection given to other workers.

On 25 November, we put forward a Communication which invites the social partners to lead Europe's businesses and all those who work in them into the very different world of work that is opening up across the Union.

All three initiatives are linked directly to the new strategy on employment. They address the need for greater adaptability in the workplace, for employers and workers alike.

The Employment Strategy; demographic ageing; new technologies and their impact on society; and new forms of work organisation - these are all items which are presently on the work agenda of the Institutions. I would urge you to get involved in all of these. My suggestion is not simply that you get involved only as and when formal legislative proposals emerge. These are issues of great strategic importance, which merit the kind of in-depth consideration which, as I mentioned earlier, the Economic and Social Committee has been good at in the past. For my part, I would very much welcome your views on these issues.

Before I finish, ladies and gentlemen, I'd like to mention one further major issue, enlargement of the EU and its social dimension.

I believe that European social policies have made it possible for us to combine economic growth with cohesion, economic efficiency with social justice. I have set out some of the challenges which we face in adapting to an increasingly complex world of the next century.

How much greater will those challenges be for the accession countries, starting as they do from a position of lower prosperity and, often, major social dislocation? How can we ensure that the process of accession and the very rapid change which goes with it will help all citizens of these countries and not just an elite? It seems to me that this also is an issue to which the Ecosoc could give some attention. And perhaps more than that – is it possible for you to envisage developing links with civil society and social partners in these countries? That would be a potentially very valuable contribution indeed.

Ladies and gentlemen,

Thank you for your attention. I wish you every success in your important work.