With enlargement, Europe’s social portrait has vastly changed. Surprisingly though, its citizens’ values and priorities are not that divergent. According to recent Foundation data and analyses, income, health and family play the biggest part in shaping the quality of life throughout the EU25 and the three remaining candidate countries. Most Europeans perceive long-term unemployment as the major cause of poverty, and a good job is ranked highest among the components of a good life across Europe.

Family values and size do not differ that much either. Studies reveal a strong level of family support and intergenerational solidarity in today’s EU, which enlargement seems set to reinforce even further. Low fertility rates and the accompanying cultural values such as smaller families, older first-time mothers and more women in the labour market are universal throughout the EU25.

Industrial relation systems in the 10 new Member States are fragile, however, according to recent Foundation research. Due in part to heterogeneous trade union and employer organisations, trade union density is low and employer organisations have low membership figures. Collective bargaining systems are more decentralised, collective bargaining coverage is lower and tripartite structures are unbalanced. As the quality of industrial relations is key to managing and anticipating change, the Foundation is currently working on a set of benchmarks to measure the quality of industrial relations, which will be presented during the Dutch presidency.

Progress is slow in developing Europe’s knowledge networks. Foundation research reveals a significant north-south divide, with Scandinavia and the Netherlands leading on nearly all the knowledge society indicators. During the Dutch presidency, the Foundation will present its recently developed knowledge society indicators and foresight methodology for mapping the future course of Europe as the world’s most competitive and knowledge-based economy.

Work-life balance
Changes in traditional gender roles and the division of labour are forcing us to rethink conventional work-life patterns. Foundation research on new ways of organising time and working life highlights employees’ increasing desire for combination scenarios with more accessible part-time and flexible work arrangements. The policy challenge should be to structure life-course patterns accordingly. During the Dutch presidency, the Foundation will organise a high-level Forum at Dublin Castle on work-life balance, evaluating ways to increase women’s labour market participation, encourage active ageing and improve lifelong learning and employability, while guaranteeing a sustainable pension system.

Ageing workers
Foundation research also shows that the quality of employment dramatically declines for workers above the age of 45. Some 42% of all

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European workers believe they will no longer be able to do the same work they do today when they are 60. For certain professions the percentage is even higher: 51% of service workers believe they will not be able to keep up with the pace of their current job until retirement age. The Lisbon objective of increasing older workers’ employment rates calls for a re-evaluation of how work is organised and working hours. It aims to improve training options and establish human resource planning and career strategies for various workforce age categories: in short, to make work more sustainable. As part of its ‘Ageing Workforce’ project, the Foundation has collected cases of good practice that will soon be made available on its website.

Towards the Lisbon objectives

The Foundation has carried out representative EU-wide surveys on working conditions since 1990. In 2001, it expanded the European working conditions survey to the new Member States and candidate countries. The surveys and related research provide valuable insight into relationships between quality, productivity and innovation. About 71% of workers in Europe say their job involves learning new things but only 33% have undergone training given and paid for by their employer in the past 12 months. These findings seem to suggest that the European high road, combining economic growth, job creation and competitiveness with functional flexibility and innovation, remains relatively unexplored by most companies.

Anticipating change

In the same context, industrial restructuring is a striking feature of Europe’s economic landscape. Globalisation, the transition to a knowledge-based economy, and the introduction of new technologies at the workplace have all increased the pressure on companies to adapt to change. However, restructuring patterns vary from one country to the next and across the sectors, with downsizing, outsourcing and layoffs still part of the traditional response to economic uncertainties. Other options such as training breaks, sabbaticals, job sharing and reduced working hours have recently come to be part of what is called ‘reflective restructuring’.

The European Monitoring Centre of Change, set up by the Council within the Foundation in 2001, examines how best to manage and anticipate social and economic change in our society. If we can understand what is driving change and predict what is likely to happen early in the process and prepare for it, change becomes less of a threat and more of an opportunity. To date, the EMCC has focused on reaching actors at company level, encouraging dialogue at all levels and providing input for such exchange to take place.

Much of the Foundation’s work in industrial relations, working conditions and living conditions is highly relevant to better understanding, anticipation and management of change. The Dutch presidency will be an excellent opportunity for us to highlight these links.

I would like to take this opportunity to wish the Presidency success in its efforts to help prepare Europe to anticipate, welcome and manage change at all levels.