

Workshop 12: From job security to sustainable employment

By Ferdinand Koenig, EU Reporter

There is no longer such a thing as a job for life. Europeans will be expected to move between jobs or even professions a number of times during their careers. However, as speakers were at pains to point out, this does not mean that Europe has to return to the model of early industrial capitalism. Instead, the labour market is an area where in order to truly provide for modern workers, governments need be innovative and daring.

The opening speech, given by Vladimír Špidla, European Commissioner for Employment stressed the catastrophic social consequences of high unemployment and underlined that in the current crisis, Europeans must be able to rely on their governments to create the conditions for more and better jobs.

Dr Špidla mentioned reducing taxes for the lowest paid as well as a reduction in VAT for labour intensive services as being effective measures that governments could take in order to protect jobs. He spoke about the need to promote greater labour mobility within the EU and the importance of equipping workers with a wide range of skills. The centrality of 'flexicurity' to the Commission's approach was also reaffirmed.

Flexicurity is a much talked about concept and it fell upon one of the leading experts on the subject, Professor Ton Wilthagen, Professor of Social Law and Social Politics at the University of Tilburg to elaborate on what the flexicurity approach might mean.

Prof. Wilthagen explained flexicurity in terms of a contract between employers and employees. In the future, he explained, employers will have to take responsibility for the long term wellbeing of their employees both by providing them with the skills needed to do a number of jobs and also by instilling the habit of lifelong learning.

Employees on the other hand, he stated, would need to accept that they should be prepared to change jobs during their careers and identify and pursue their own educational requirements.

The potential hazards of such an arrangement were scrutinised during the question and answer session. Why should, it was asked, employers train employees that might then move to a competing enterprise? Prof. Wilthagen responded by saying that if all employers were to take their educational responsibilities seriously, then this problem would not arise. All workers in the future should be receiving continuous training.

Jørgen Rønnest, President of the Social Affairs Committee at BUSINESSEUROPE and Director of International Affairs for the Danish Employers' Association echoed many of the points that Prof. Wilthagen had made. Coming from Denmark, the country which pioneered the flexicurity model he stated his support for flexicurity. The labour market conditions vary however, he pointed out, from EU Member State to EU Member State and therefore underlined that there was no uniform model for flexicurity. Nonetheless, he emphasised the need to continue with reform, despite current circumstances.

Labour market reform would however mean little if the talent and potential of all workers is not fully utilised, stressed the next presentation, given by Josefine van Zanten, Global Head of Diversity and Inclusion at Shell International. She pointed out that far too many women still leave the workforce when they start families and argued that this was a result of the lack of flexible working options currently given to workers.

A change of tone was then provided by John Monks, General Secretary of the European Trade Union Confederation. Many proponents of flexicurity, he said, emphasised flexibility but did not pay enough attention to security. His message was that people should not dismiss job security as outdated and argued that the most sustainable companies were those which invest in their employees and receive loyalty and hard work in return. He also reminded the audience that true flexicurity, if practised correctly is expensive and said that the term should not merely be used to justify weakening social safety nets.

Finally, Will Hutton added a new topic to the general discussion by focusing on the accelerated pace of innovation. He argued that employers would need to prepare their employees for change and called on the European Commission to be brave and bold in leading employers and employees towards accepting change.

The speakers therefore, despite ideological differences, were clear that labour relations as traditionally understood would change profoundly in the next decades. All agreed that flexibility, security and diversity were important. The right mixture of each will have to be publically debated soon as a matter of urgency in order to achieve the changes that Europe so desperately needs.