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Every year, the Benchmarking Working Europe report offers a contribution to the EU Spring summit. It provides a genuine benchmarking exercise applied to the world of labour and social affairs and grounded in effective labour and social rights, the aim being to establish what progress – or lack of it – has taken place in selected areas of importance to the trade unions and of crucial significance for a social Europe.

This eighth Benchmarking Working Europe report is published at a time when the European economy faces a series of challenges as well as uncertainties. Though 2007 was marked by continuous improvement in the labour market as a whole – the unemployment rate continued to decrease and the employment rate to increase – these improvements were generated by the creation of non-standard forms of employment (including part-time work, fixed-term employment and self-employment), giving rise to concerns that the increase in employment may be at the cost of the quality of jobs. Furthermore, with gloomier economic prospects for 2008, when the growth rate is forecast to be somewhat lower and inflation higher, the resilience of the European labour markets will be put to the test.

The indicators presented in this year’s Benchmarking Working Europe point clearly to the fact that the last cycle of economic growth has not benefited the European working population equally.

While the employment situation is improving in general, specific groups face problems in terms of access to employment and quality of employment. Low-skilled and younger workers are especially vulnerable in this respect and these groups seem to encounter greater difficulty in improving their situation. In more general terms, European workers have not received their fair share of economic gains, as the real growth in the compensation rate has been on average less than one per cent per year below productivity gains. In the light of these developments, the strengthening and further development of the European social dimension will ultimately be one factor in determining the continuing success – or otherwise – of a united Europe. Social cohesion and economic efficiency are not in contradiction with each other – on the contrary – as is reflected in the original idea behind the Lisbon strategy. Key elements in assuring a social dimension are the social dialogue and workers’ participation which are prerequisites for effectively combining these different claims and mobilising support for the European policies. We hope you will both enjoy and benefit from your reading of this year’s Benchmarking Working Europe.

John Monks
ETUC
General Secretary

Maria Jepsen
ETUI-REHS
Director of Research Department

Philippe Pochet
ETUI-REHS
General Director
Introduction
John Monks, ETUC, general secretary
Philippe Pochet, ETUI-REHS, general director
Maria Jepsen, ETUI-REHS, director of research department

Chapter 1: Social Europe means better quality of jobs and collective solutions
Maria Helena André, ETUC, deputy general secretary

Chapter 2: Macroeconomic developments and policy issues
Andrew Watt, ETUI-REHS, senior research officer

Chapter 3: Employment
Janine Leschke, ETUI-REHS, research officer

Chapter 4: Europe’s youth = Europe’s future
Klaus Schömann, International University Bremen, professor
Christoph Hilbert, WZB research officer

Chapter 5: Wages developments
Maarten Keune, ETUI-REHS, senior research officer

Chapter 6: Social protection and the social reality of Europe
Maria Jepsen, ETUI-REHS, director of research department
Janine Leschke, ETUI-REHS, research officer

Chapter 7: Workers Involvement, CSR and corporate governance
Romuald Jagodziński, research officer
Norbert Kluge, ETUI-REHS, senior research officer
Isabelle Schömann, ETUI-REHS, senior research officer
Michael Stoltl, ETUI-REHS, research officer

Chapter 8: European Social Dialogue and European Labour Law
Stefan Clauwaert, ETUI-REHS, senior research officer
Isabelle Schömman, ETUI-REHS, senior research officer
Wiebke Warneck, ETUI-REHS, research officer

ETUI-REHS documentation centre
Kathleen Llanwarne, language editor
Irmgard Pas, ETUI-REHS, data-processing manager
Eric Van Heymbeeck, ETUI-REHS, layouter
Isabelle Schömman, ETUI-REHS, senior research officer, Coordinator of the Benchmarking Working Europe 2006, 2007 and 2008

For further information
http://www.etuc.org
http://www.etui-rehs.org
http://www.labourline.org