
BENCHMARKING WORKING EUROPE 2008

Contents

INTRODUCTION	3
1. SOCIAL EUROPE MEANS BETTER QUALITY OF JOBS AND COLLECTIVE SOLUTIONS	5
2. MACROECONOMIC DEVELOPMENTS AND POLICY ISSUES	10
3. EMPLOYMENT	22
4. EUROPE'S YOUTH = EUROPE'S FUTURE	43
5. WAGE DEVELOPMENTS	50
6. SOCIAL PROTECTION AND THE SOCIAL REALITY OF EUROPE	58
7. WORKER'S INVOLVEMENT, CSR AND CORPORATE GOVERNANCE	67
8. EUROPEAN SOCIAL DIALOGUE AND EUROPEAN LABOUR LAW	88
REFERENCES	104
THE BENCHMARKING GROUP	108
LIST OF COUNTRY CODES	109
LIST OF FIGURES	110

INTRODUCTION

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 Jagodzinski, *research officer*

Norbert Kluge, ETUI-REHS, *senior research officer*

Isabelle Schömann, ETUI-REHS, *senior research officer*,

Michael Stollt, ETUI-REHS, *research officer*

Chapter 8: European Social Dialogue and European Labour Law

Stefan Clauwaert, ETUI-REHS, *senior research officer*

Isabelle Schömann, 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 Schömann, 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>