

[ETUC newsletter]



Dear Readers,



Trade Union work in Europe is dominated, like so much else, by the recession and rising unemployment. The European Commission has recently revised downwards its forecasts for growth and is predicting a 1.8 % decrease in Europe's GDP and a loss of 3.5 million jobs.

The ETUC's response is to call for vigorous action to boost the economy. We are demanding a New Social Deal to fight the Crisis with a second European Recovery Plan of 2% of European GDP including large European investment projects financed by European Growth Bonds. We are opposing calls for wage freezes and instead looking to collective bargaining to fight deflation and drive purchasing power. We are also calling for a strengthening of welfare states, special help for young people leaving school or college in 2009 and imaginative short time working schemes.

The crisis is not simply the result of excessive financial deregulation but also of the greed of certain heads of financial institutions who should be punished for their behaviour. The speculation race, which we have long since denounced and to which many have contributed, must spark radical changes in behaviour.

We are convinced that employment is and must remain the priority for European policy makers. We will never grow weary of repeating it, as we did recently when submitting our trade union memorandum to the Czech Presidency of the European Union and as I said in Davos, at the World Economic Forum.

A number of social conflicts are starting to emerge here and there in Europe. The strong mobilisation of French unions on 29 January shows us that the crisis we are experiencing today is not just a matter for politicians and economists, but also for working people. The strikes in the UK show the tensions that can spill over if the migration of overseas workers is not sensitively handled, and it also emphasises the need for a revised Posted Workers Directive and a Social Progress Protocol included in EU treaties.

The ETUC will be calling for a European Day of Action on May 15/16 to fight the crisis and support the call for a New Social Deal for Europe's Workers. I hope all affiliates will join the demonstrations planned in four or five European capitals on those days and make our case to be on the offensive for jobs, rights, collective bargaining and equality.

John Monks
General Secretary



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Figure of the month

110 billion euros

Since autumn, European states have injected more than 110 billion euros in the capital of the banks

(Source: Les Echos)



Brochure on the structure and activities of ETUC

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[ETUC in action]

For a New Social Deal

08/01/2009 – John Monks took the floor at [international symposium 'New world, new capitalism'](#) organised in Paris, where many European and international personalities took part. The ETUC General Secretary participated in the [second round table on 'Globalisation and social justice'](#). In his speech, he emphasised the need for a **New Social Deal** *'in which the objectives are to develop a new system out of the rubble, a system which is less alienating, less divisive, fairer, less of a casino where the winner takes all. Immediately, we need to act on jobs, to help people in the labour market who have precarious jobs, and to stop regular jobs becoming more precarious... We need to include workers and unions in the New Social Deal by strengthening collective bargaining'*.

[John Monks' speech](#)

ETUC at the World Economic Forum in Davos

30/01/2009 – John Monks was one of the speakers at the Davos World Economic Forum. He sounded the alarm regarding **protectionism 1930s style, which is in danger of overtaking the economy and society**. For the European trade union movement, *'...Without a global political and economic response, without a change in the behaviour of those who have brought us into this crisis, things will only get worse. On one single day alone, 26 January, 70,000 jobs were destroyed around the world. In 2010, unemployment will top 10%. Precarious employment is on the rise. That is why we need to maintain the social protection systems in order to prevent exclusion... We need to help not just the banks, but also the labour market and the workers'*.

[ETUC press release](#)

CONFERENCE Preparing for EU leadership on sustainability

29–30/01/2009 – ETUC, in cooperation with the European Environmental Bureau (EEB) and the Social Platform, organised in Brussels the conference **'Preparing for EU leadership on sustainability – A social and green agenda for the next decade'**. Many European political and trade union leaders took part in the conference.

[Conference programme](#)

[Trade Union Agenda]

January – February 2009

| | | |
|------------|--|--|
| 14/01/2009 | Meeting of the Group II 'Workers' of the European Economic and Social Committee (Brussels) | |
| 05/02/2009 | ETUC steering committee (Brussels) | |
| 25/02/2009 | Meeting of the Group II 'Workers' of the European Economic and Social Committee (Brussels) | |



[Focus on the EU and trade union positions]

Social Troika: workers' mobility at heart of the debates

21/01/2009 – ETUC participated in the **EU Social Troika of Ministers for Employment meeting bringing together the European social partners**, the European Commission and the Platform of European Social NGOs. The free movement of workers was the main topic of the meeting. For ETUC, **the free movement of labour is a fundamental part of the European construction**. However, recent decisions of the European Court of Justice which have licensed

employers to use posted workers to undercut collective agreements are counter-productive. During the meeting, **John Monks** asked that **this trend be countered, notably by the introduction of a social progress protocol in the next treaty and by strengthening the Posting of Workers Directive**.

[ETUC press release](#)

[EU Czech Presidency press release](#)

Protection of fundamental social rights: Commission's inaction is worrying

22/01/2009 – The European Commission announced its refusal to propose legislative actions in order to protect collective agreements in Europe, threatened by [recent European Court of Justice rulings](#). ETUC reacted to this announcement by inviting the European Commission to deal with this issue which represents a key test for the Commission.

[ETUC press release](#)

ECB: interest rates have to be cut to the bone



14/01/2009 – On the eve of the Governing Council of the European Central Bank, **ETUC emphasised that the interest rates have to be cut to the bone**. For the European trade union movement, **this measure is necessary to counter the European economy's decline and the deflation risk**.

[ETUC press release](#)

[ECB press release](#)

Gaza: call for an immediate cessation of violence

16/01/2009 – ETUC [renewed its call for an immediate cessation of violence in Gaza](#).

John Monks called for firm action by the European Union to obtain an immediate ceasefire. ETUC also welcomed the announcement that the EU is freezing talks with Israel about enhanced political and economic bilateral relations.

[ETUC press release](#)



ETUC delivers its trade union memorandum to Czech EU Presidency

28/01/2009 – In Prague, ETUC delegation met Mirek Topolànek, Czech Republic Prime Minister, President in exercise of the European Union, in order to [deliver its trade union memorandum](#). At the meeting, ETUC proposed, among other

things, that a **social progress protocol be added as an annex to the EU treaties in order to reaffirm the pre-eminence of fundamental rights over single market rules**, and called for a **recast of the Directive on the posting of workers**. At the end of the meeting, [ETUC was surprised by the Presidency press release](#), which did not reflect the key messages outlined by the trade union delegation.

[ETUC press release](#)

[Czech EU Presidency press release](#)



[EU Agenda]

January – February 2009

| | | |
|---------------|---|--------------------------------|
| 12–15/01/2009 | Plenary Session at the European Parliament (Strasbourg) | |
| 14–15/01/2009 | Plenary Session at the European Economic and Social Committee (Brussels) | |
| 15–16/01/2009 | Informal Meeting of Ministers for Justice and Home Affairs (Prague) | Meeting Agenda |
| 19/01/2009 | Eurogroup Meeting (Brussels) | Meeting Agenda |
| 20/01/2009 | ECOFIN Council (Brussels) | Council Agenda |
| 23–25/01/2009 | Informal Meeting of Ministers for Employment and Social Affairs (Luhachovice) | Meeting Agenda |
| 25–27/01/2009 | General Affairs and External Relations Council (Brussels) | Council Agenda |
| 29–30/01/2009 | Informal Meeting of Development Ministers (Prague) | Meeting Agenda |
| 02–05/02/2009 | Plenary Session at the European Parliament (Strasbourg) | |
| 04–05/02/2009 | Informal Meeting of Ministers for Family Policy (Prague) | Meeting Agenda |
| 09/02/2009 | Eurogroup Meeting (Brussels) | Meeting Agenda |
| 10/02/2009 | ECOFIN Council (Brussels) | Council Agenda |
| 16/02/2009 | Education, Youth and Culture Council (Brussels) | Council Agenda |
| 18–19/02/2009 | Mini-Plenary Session at the European Parliament (Brussels) | |
| 19/02/2009 | Transport, Telecommunications and Energy Council (Brussels) | Council Agenda |
| 23–24/02/2009 | General Affairs and External Relations Council (Brussels) | Council Agenda |
| 25–26/02/2009 | Plenary Session at the European Economic and Social Committee (Brussels) | |
| 26–27/02/2009 | Justice and Home Affairs Council (Brussels) | Council Agenda |



[Dossier]

Monitoring job losses across Europe

The employment outlook worldwide is more than grim. As the recession deepens and the financial crisis accelerates, more and more companies resort to cutting jobs to meet their declining turnover. According to the latest [Global employment trends report](#) by the [International Labour Organisation](#), the global economic crisis will push between 18 and 30 million people out of the labour market in 2009. If the situation deteriorates further, this number could rise to over 50 million workers. The economic plunge is speeding up job losses globally.

On 26 January 2009, Europe witnessed the worst single day of job cuts since the economic downturn began last year, according to media reports. The media has been a major information source when it comes to accounting for job loss across the EU.

In light of this, the European Foundation for the Improvement of Living and Working Conditions ([Eurofound](#)) set up the [European Restructuring Monitor \(ERM\)](#) in 2002, which monitors job loss at restructuring in the 27 EU Member States and Norway. The thresholds for being recorded by the ERM are at least 100 jobs or involving companies employing more than 250 people and affecting at least 10% of the workforce. The ERM also reports on job creation that announces at least 100 jobs. Supported by a network of corre-

spondents in each Member State, ERM collects and presents cases of restructuring based on a daily review of national newspapers and specialised economic press. Each case is presented in a systematic format – called a fact sheet – providing information on the company, its size, location and sector of activity, the type of restructuring, the number of job losses announced and the timeline of these, as well as, if available, a brief summary of the reasons for the restructuring.

The ERM also allows for the compilation of data which compares countries, sectors and types of restructuring, and the identification of relevant company cases. Drawing on the data collected through the ERM over the last three months, the [ERM quarterly](#) outlines major European trends in job loss and job creation due to company restructuring. It provides data comparing restructuring activities across the 27 EU Member States and Norway, identifying the countries and sectors most affected. Each issue of the *ERM quarterly* highlights developments in a specific country or sector of activity, pointing to key facts behind the data. In addition, background information on two major recent restructuring cases is presented.

A major advantage of collecting data on job loss at restructuring through media reports is that the news comes very early in the dismissal process and thus includes those who come to leave early on in

this process. This early warning feature of the ERM is one of its major strengths, as information is usually available long before the workforce reduction is enacted. In this respect, the ERM represents a useful tool for all actors involved in the process of anticipating and managing change by identifying sectors and countries that are likely to undergo a phase of severe restructuring in the short to medium term.

However, although it is useful for quantifying the phenomenon of industrial restructuring and its employment consequences, there are some limitations of the data collected and published through ERM when it comes to assessing whether the macro picture that it paints is representative of job loss in general. First, ERM correspondents have to rely on the accuracy of newspaper articles. Second, the newspaper articles report on announcements of intended job loss or job creation; therefore, one has to bear in mind that the numbers put forward could be an overestimation and such announcements are rarely followed up by reporting on the actual measures taken. Third, ERM correspondents document a higher number of 'smaller' cases in the smaller economies, such as in Cyprus, Greece, Malta and Portugal, since these are picked up in the national press but would not get coverage in the newspapers monitored in the larger economies, such as in France, Germany, Spain and the UK.

To ascertain the extent to which



[Dossier] Monitoring job losses across Europe

→ Fact Sheet Details

[Back to factsheets](#)

Company: ING Groep

Geographic location

- **Country:** World
 - **Region:**
 - **Affected unit(s):**

Company

- **Group :**
 - **Sector :** Financial services : Other financial intermediation (Nace J)
 - **Number employed:** 130000

Employment effects

- **Announcement Date:** 27-01-2009
 - **Planned job reductions:** 7000
 - **Type of restructuring:** Internal restructuring
 - **Employment effect start:**
 - **Employment effect timeline:** 31-12-2009
 - **Direct dismissals:**
 - **Other job reduction measures:**
 - **Planned job creation:**

Additional information

ING Groep, the largest Dutch financial services company, has announced that it is to cut about 7,000 jobs out of 130,000 across the world by the end of 2009. The restructuring plan is due to the global economic slowdown and the company's financial loss of one billion EUR in 2008. ING Groep operates in more than 50 countries.

Sources

Hospodářské Noviny, 27-01-2009

Links

announcements of job loss at restructuring in the press are indeed representative of job loss in general, Eurofound has carried out research comparing the ERM data with other sources, looking at employment in Europe over a ten-year period (1995–2006) while focusing on the patterns of restructuring across the EU and Norway, and the extent of consequent job loss and job creation. The findings of this study are positive in that most EU member states did generate *more*

and better jobs in the decade after 1995. However, behind this overall picture there are, of course, many different stories and not all of them are so positive. A priori, there is reason to suppose that the next study covering the period 2006–2016 may come to the same conclusions.

For a more 'hands-on' approach, the ERM also publishes comparative analyses covering developments at EU and national level on specific

themes, including company case examples. In 2008, two such [comparative studies](#) were published looking at the *Perceptions of the employment impact of globalisation: attitudes and responses in the EU and ERM case studies in Europe: the employment impact*.

Useful links :

[European Restructuring Monitor \(ERM\)](#)
[More and Better jobs: Patterns of employment expansion in Europe](#)



[You may be interested]

‘Towards a Trade Union Erasmus’ : a down to earth project

In the [October 2008 newsletter](#), we announced the official launch of the project ‘Towards a Trade Union Erasmus’, the aim of which is to develop the sharing of trade union knowledge and experiences at European level by the exchange and the mobility of trade unionists.

On 19 January, the first three interns started their activities. Mr Marc Baillergeon from Force Ouvrière (France), is currently in Budapest (Hungary) at MSZOSZ, Maria Apolinario from UGT-P (Portugal) is now at CGSLB in Brussels (Belgium) and Roman Krenn from ÖGB (Austria) is doing an internship at the European Mine, Chemical and Energy Workers Federation EMCEF, also in Brussels (Belgium).

The knowledge of the functioning of the several internal structures in the host organisation, the comprehension of the interaction between local, national and European level, the exchange of different working methods, as well as the development of a common trade union strategy are key elements of their working programmes.

In the next editions of our newsletter, we will discuss their experience again, by proposing an interview at the end of their internships.

For more information on this project, please contact Gabrielle Clotuche : gclotuche@etuc.org .

It is time to rebuild the European social economy

22/01/2009 – John Monks took the floor at the conference [“Rien ne va plus ? Ways to rebuild the European Social Market Economy”](#) organised in Brussels by the European Economic and Social Committee. Several representatives of European Institutions, Social partners and other civic society organisations took part in the conference.

[John Monks’ speech](#)

European Commission publications

The following reports are now available:

- [Interim forecasts for 2009–2010](#) (19/01);
- [Communication 'Towards a comprehensive climate change agreement in Copenhagen'](#) (28/01);

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