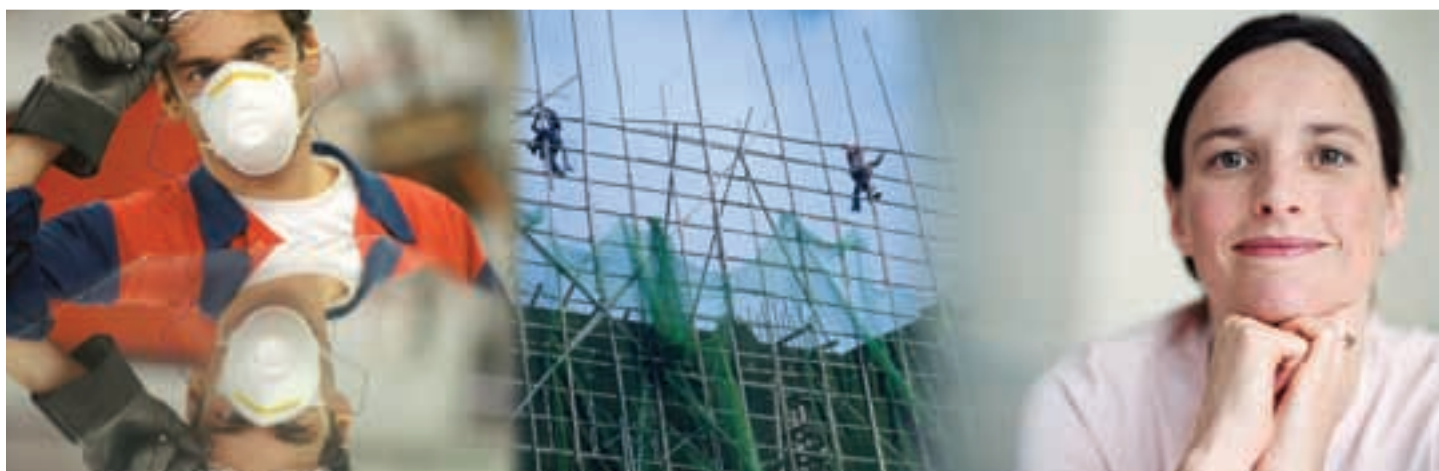


2009

YEARBOOK



Living and working in Europe



Eurofound

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The European Foundation for the Improvement of Living and Working Conditions (Eurofound) was set up to contribute to the planning and design of better living and working conditions in Europe.

Established in 1975 by the European Council, it is situated in Dublin, Ireland.



Foreword

At the time of writing, the EU is preparing to approve the European Commission's new 10-year strategy for sustainable growth and jobs – 'Europe 2020' – while Eurofound is working on the creation of its work programme for 2011. From the perspective of evidence-based policymaking, however, in order to look forward, it is first necessary to look back. This Yearbook sets out to distil Eurofound's key findings during 2009. The first to be published as part of Eurofound's four-year work programme 'Better work, better life', the 2009 Yearbook can deliver only a partial picture of Eurofound's research findings, given the breadth of the work undertaken every year. However, as a glance through the Yearbook reveals, the impact of the recession dominated Eurofound research across its various areas of expertise. Moreover, Eurofound's periodic, longitudinal research proved its worth, demonstrating the changes that have followed in the wake of the downturn to date. Data from the *European restructuring monitor quarterly* outlines the growth and subsequent decline in restructuring-related job loss; regular updates from the European Industrial Relations Observatory (EIRO) highlighted the cooperation and conflict that has ensued among social partners across Europe; annual reviews of working time and pay point to the changes being wrought in working conditions in response to the recession, while a comparison of trends in quality of life shows the impact of the recession as experienced by citizens in the Member States.

We trust that this Yearbook will outline the key developments that shaped the work and the lives of European citizens throughout 2009.

Director Eurofound,
Jorma Karppinen



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THE ECONOMIC BACKGROUND

THE ECONOMIC BACKGROUND

The start of 2009 marked the trough of the recession, announcements of job losses peaking around the first quarter of the year, with men and younger workers being disproportionately affected. The number of job losses due to bankruptcy rose steadily over 2008 and 2009, with such sectors as construction, textiles and manufacturing being hit especially hard. However, jobs were also created during the year, with companies offering low-cost goods and services benefiting from the change in circumstances.



Any assessment of developments in industry, the evolution of working conditions and the daily quality of life of citizens throughout Europe in 2009 cannot escape the all pervasive impact of the recession, born of financial crisis, which emerged in 2008. From Eurofound's perspective the recession is highly pertinent to its research mandate: impacting on all areas of research – industrial change, quality of work and employment, and living conditions and quality of life. The last two years have seen all of these areas affected dramatically, and the situation continues to deteriorate. As corporate profit margins are squeezed, it is possible that costly measures to improve working conditions will suffer. Moreover, escalating public debt in many Member States will impact negatively on funds for implementing social welfare policies.

While technically the EU emerged from recession in the third quarter of 2009, growth remained sluggish and well below historical trends. Furthermore, unemployment continued to increase, reaching its highest levels

in over a decade – at 9.5% across the EU27. At least up until the first quarter of 2009, those most affected were manual workers – especially skilled manual workers, reflecting the concentration of job losses in manufacturing and construction. As in prior recessions, men have suffered greater job losses than have women. And the employment rate for young people (those aged between 15 and 24 years) fell more than for those aged over 24 years. However, in those Member States most affected by the recession, such as Ireland, Spain, and the Baltic states, the labour market situation of all demographic groups has deteriorated markedly – whether young, old, male or female.

Since 2002, Eurofound's European Restructuring Monitor (ERM) has assessed the extent of restructuring in Europe and its consequences for employment – both in terms of job creation and job loss. The figures for 2009 speak of ongoing, extensive job loss across Europe. From the end of the second quarter of 2008, the ERM began to report announcements by European media of significantly higher numbers of job losses by companies engaged in restructuring. The numbers rose throughout the year, peaking around the final quarter of 2008 and the first quarter of 2009. Throughout 2009 the numbers of announced job losses declined; so too, however, did the numbers of new jobs being created, as Figure 1 indicates. Notably, over the same period, the proportion of all announced job losses resulting from bankruptcy increased significantly.

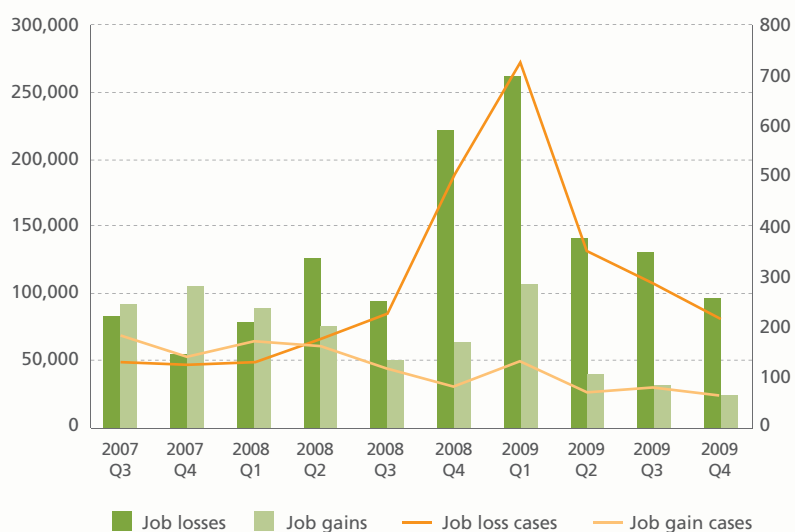
Eurofound research revealed that, against a background of global recession, the number of bankruptcy cases rose significantly over the year, leading up to mid-2009. In Denmark, for instance, the number of bankrupt-



cies rose by 85% between May 2008 and May 2009, despite 2008 already having been a record year in this respect. Moreover, a number of sectors have been especially hard hit by bankruptcy: construction, textiles, wholesale and retail trade, manufacturing, hotels and restaurants, and

automotive. For instance, in Estonia, since 2008, the number of insolvency payments has increased threefold in manufacturing and almost fourfold in the wholesale and retail trade; in the construction sector alone there have been 15 times as many insolvency payments.

Figure 1: Number of restructuring cases and total announced job losses and gains



Source: ERM quarterly Issue 4 – winter 2009



The research detailed in *Restructuring in bankruptcy: recent national case examples*, set out to examine recent cases of bankruptcy to better understand bankruptcies in general and in particular the consequences for workers concerned and the kind of compensation that they receive. It found that a key reason for company failure was excessive debts, and a failure to develop a strategy for com-

petitiveness. When the economic downturn hit, bankruptcy proved difficult to avoid. Declining demand for products or services, or restricted access to credit made servicing debt difficult or impossible for many companies. Small and medium-sized enterprises (SMEs) that rely more on borrowing seem to have been the most vulnerable in this regard. A number of countries introduced measures to

provide credit to SMEs (in particular) to protect companies at risk of bankruptcy because of the reduced availability of business credit. In Italy, for instance, the government set up such a fund, enabling companies to take out a loan of up to €1.5 million; the success of such strategies appears to have been limited, to date.



Spotlight on Foundation Forum 2009: Recession – finding the exit

A key element of Eurofound's work is providing an arena for debate and discussion, to bring together decision makers and key actors. Eurofound's flagship event is the Foundation Forum, held every two years. In November 2009, participants at the event opened by Brian Cowen, Irish *Taoiseach* (prime minister), discussed the theme 'Global recession: Europe's way out' reflecting the particular focus that Eurofound's work placed on the economic downturn over the course of the year. In particular, they discussed whether, and to what extent, Europe could exit from recession with its social and political principles intact? Will some fundamental European values have to be jettisoned in regaining global competitiveness? Arguments for cuts in

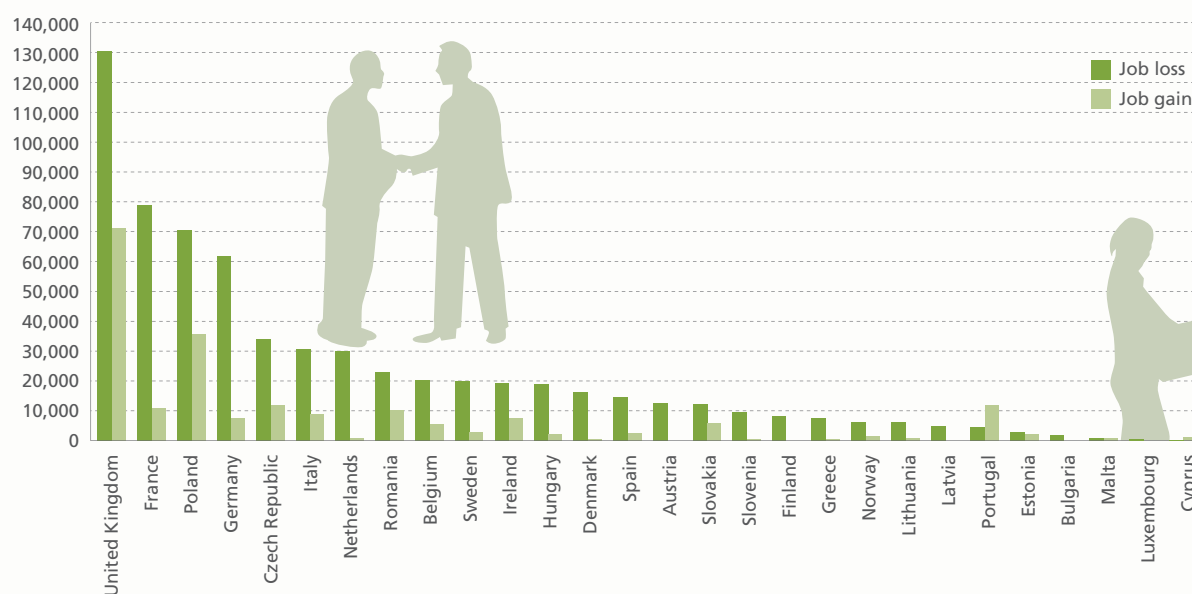
Companies also suffered from a 'domino effect', the bankruptcy of another company resulting in their own. Bankruptcy among companies at the end of the supply chain has forced those further down the chain into insolvency. In Romania, for instance, the crisis in the construction sector created problems for companies in the woodworking industry, resulting in reduced orders and financial difficul-

ties among forest management companies. In Lithuania, bankruptcies in hotels and restaurants were partly caused by the closure of the national airline and the cancellation of flights to Lithuania by foreign airlines. This domino effect has also helped spread economic decline across countries. In Slovakia, for example, the first companies to suffer bankruptcies were those exporting to countries where

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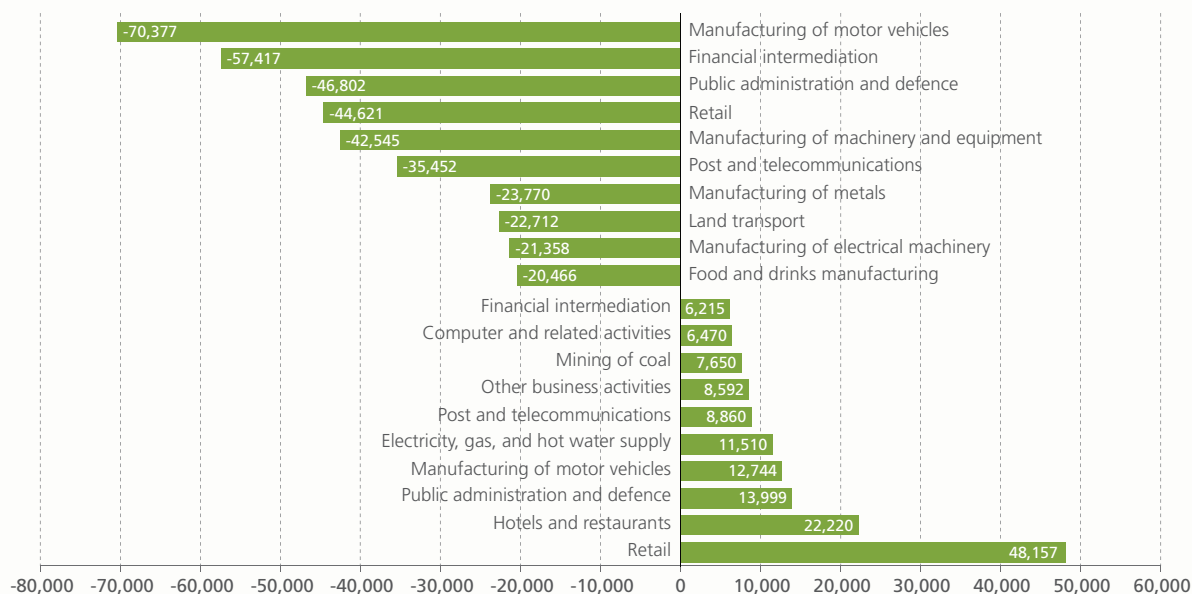
contacts and briefing meetings took place between Eurofound and key policymakers at EU level

Figure 2: Announced job gain and loss by country, 2009



Source: ERM

public spending were pitted against those that see a key role for state spending to maintain economic equilibrium. Participants debated whether, and by how much, governments need to boost their funding for job creation, job search assistance and training and hiring subsidies. The question inevitably arose as to whether such costly measures are sustainable; furthermore, the concern was expressed that in times of rising unemployment, demand could swamp the capacity of services to deliver. Speakers at the Forum also underlined the role that social partnership can play in driving European comparative advantage and highlighted the need to create appropriate responses for social security and welfare reform.

Figure 3: Restructuring across sectors, 2009

Source: ERM

the economic crisis had already hit – in particular, companies in the car industry. This then led to a fall in sales for their domestic suppliers.

The research also found that when workers lose their jobs in a bankruptcy, the consequences tend to be more serious than in other types of restructuring: their bankrupt

employer may be unable to provide any support, financial or practical, and in the absence of redundancy payments, workers are often reliant on government assistance. Support provided by governments in most countries includes measures to guarantee the payment of any claims that workers have against their insolvent employer, and to ensure that pension

entitlements are not affected: pension funds in many countries are protected by regulations stating that the funds must be kept separate from the business's interests.

From a national perspective, the figures for the year presented in the four issues of the *European restructuring monitor quarterly* demonstrate

Foundation Forum 2009

Who said what



An Taoiseach, **Brian Cowen**: 'The most important thing we [in Ireland] can do to protect jobs and create new ones is to move quickly, decisively and effectively to correct and stabilise our public finances. This will restore the domestic and international confidence that will attract investment and increase consumer spending, which is a prerequisite for employment.'



John Monks, European Trade Union Confederation:

'Welfare states are stabilisers. We need to balance market economies and public sectors. Germany and the UK have had

similar falls in GDP, yet because of Germany's enlightened short-term working subsidies German unemployment hasn't risen much.'

How does the ERM get its data?



The European Restructuring Monitor (ERM) monitors companies' media announcements of restructuring, and attendant job loss and creation, across the EU27 and Norway. Data collection takes account of all announcements involving the reduction or creation of at least 100 jobs, or affecting 10% of the workforce in sites employing 250 or more workers. A key advantage of this approach is that it captures announcements early in the dismissals process; however, it almost certainly overestimates the actual numbers

affected by restructuring. Other data sources could also yield valuable, complementary information about job loss. In 2009, the ERM started studying collective redundancy notifications. Under EU Directive 98/59, all companies planning to lay off employees – subject to certain thresholds – are required to notify their national institutions and implement a process of consultation and negotiation to mitigate the effects of the lay offs. These notifications contain valuable information about the planned redundancies. However, again, these data are limited, as the information is not collected uniformly in all Member States and not always at the same stage in the process. The ERM will continue to further explore these datasets in the future.

The ERM database is updated on a daily basis. Readers can access more details of individual cases using the search engine at www.eurofound.europa.eu/emcc/erm/index.htm



Amy Domini, founder and chief executive officer of Domini Social Investments and a leading proponent of socially responsible investing: 'It is essential that we challenge some of the premises upon which we have been allowing the financial system to work. W I would argue

that the management of financial assets should be done in a way that meets the goals of financial assets, that is to make life better for more people.'

Jørgen Rønne, Chair of the Social Affairs Committee, BusinessEurope, rejected the concept that dealing with the crisis as a systemic problem was the correct approach and warned against over-regulation of companies: 'Solutions should be found at company and sectoral level'.



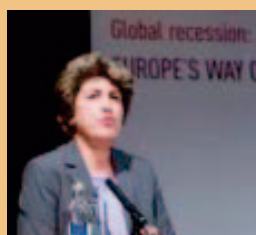


that the UK was the unhappy leader in terms of announced job loss, with the loss of over 125,000 jobs; in part, this was due to extensive shedding of jobs by the beleaguered financial sector, which announced the loss of over 30,000 jobs over the course of the year. Other sectors – retail in particular – also saw substantial job loss announcements: for instance, retail off-licence chain First Quench

announced the loss of 6,000 jobs, with the closure of most of its 1,000 stores across the country.

However, the UK was also the leader in job creation, with over 60,000 new jobs being announced in 2009. Notably, many of these were in bargain retailers and fast-food chain restaurants, whose fortunes – it would appear – prospered even as those

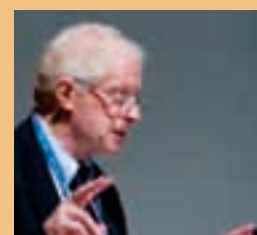
of the wider economy deteriorated. For instance, in the first quarter of the year, Kentucky Fried Chicken announced that it would create 9,000 jobs in the UK. In the same quarter, again in the UK, bargain supermarket ASDA announced the creation of 7,000 jobs. (This dynamic was not restricted to the UK alone: in the autumn of 2009, Belgian discount superstore group Colruyt announced



Maria João Rodrigues, Special Adviser on the Lisbon Agenda: 'While we are facing this recession many people are afraid of being called protectionist. But if we lose jobs now they will be much more difficult to create in the future ... Our discussions about the crisis should also be

about how we encourage long-term growth. We should not lose our focus on the long term.'

Robert Verrue, Director General at the European Commission's DG for Employment, Social Affairs and Equal Opportunities: 'Most people would not have expected the EU to respond so cohesively to the crisis. We need to continue to exploit the potential of a common reaction. If the EU had not been cohesive, it would have been difficult to make the advances that we have made.'





49%

increase in European
Commission policy
documents
quoting Eurofound
research

the creation of around 4,000 new positions.)

In Poland, a number of large-scale restructurings resulted in extensive job gains: for instance, 5,000 new jobs were announced in the shipyards at Stoczina Szczecin and Stoczina Gdynia, while computer giant IBM announced the creation of 1,000 jobs in the autumn.

Some employment gains were also linked to the creation of 'green jobs'. In the second quarter of the year, Veolia Environnement in France

announced the creation of 5,000 jobs in recycling, while the Electricity Supply Board announced that nearly 4,000 jobs were to be created in clean energy technology. The recession was also reflected in public sector announcements of job creation, where services were put in place to assist those who had been made redundant: for instance, the Swedish Public Employment Service announced the creation of 2,000 new positions in the third quarter.



Krasimir Popov, Deputy Minister of Labour and Social Policy on the Bulgarian response to the crisis: 'Our short-term plan for recovery includes social security and health insurance and the social consequences of restructuring. Vouchers are available for training workers who lose their jobs, covered by

the European Social Fund. Huge resources are being made available to stimulate job creation.'

Anna Ekström, President of the Swedish Confederation of Professional Associations: 'Social dialogue is about a balance of power amid conflicting interests. With true social dialogue, there is give on both sides ... We should see social security as an investment; a trigger for change; a trigger for growth ... more as a spring-board and less as a safety net.'





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RESPONDING TO RECESSION

RESPONDING TO RECESSION

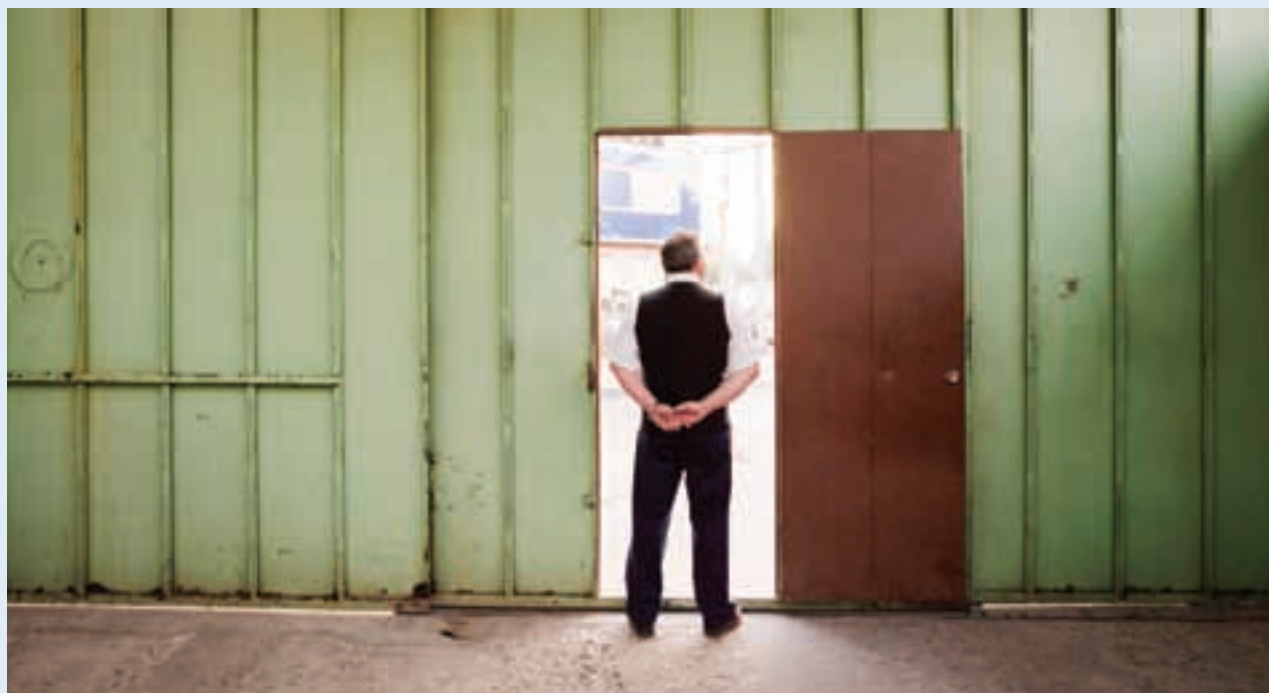
While the upheavals of the recession have resulted in industrial action, slumps in demand have been met in many cases by modifying work organisation or increasing internal flexibility. One feature of the current recession has been the readiness of public authorities and social partners to collaborate on employment-maintaining measures in response to what are seen as only temporary declines in demand, supported by changes in policies and measures at EU level.

THE EU LEVEL

Eurofound's research into the recession has gone beyond a quantitative detailing of the numbers involved in job loss and job gain, to make a qualitative assessment of the responses to recession across Europe, by Member States, companies, social partners

and trade unions. Conducted through case studies and comparisons of national approaches, this assessment is facilitated by Eurofound's tripartite structure, which gives it a unique insight and access into the views and approaches of EU-level players, national governments, trade unions and employer organisations.

In response to the unprecedented economic downturn, anti-crisis measures have been implemented across Europe, and at all levels. The key EU level response was the European Economic Recovery Plan (EERP), adopted by the European Council in November 2008. As outlined in the *ERM report 2009: Restructuring*



Has the EGF worked so far?



The extra assistance in terms of financial and human resources made possible through the EGF was 'an extremely valuable addition to other funding sources' according to key players involved in the process of assisting workers made redundant in two high-profile cases of restructuring in 2009. Eurofound research outlined the role that EGF funding played in integrating workers laid off as a result of restructuring in two companies in the mobile telephony sector – BenQ in Germany and Perlos in Finland. According to the

research, a key element of the fund's success in augmenting national and regional efforts was the extra time it allowed for training and for more individualised and in-depth assistance, especially for more vulnerable groups of workers. Overall, the EGF – in these cases at least – appears to have had a significant impact on the employability and well being of workers who were made redundant.

Two different models of assistance for redundant workers are in operation in Germany and Finland: the transfer company and the change security centre. Both are well developed. However, in the German case, the normal model of a transfer company would not include the highly individualised assistance and training for such workers, as well as the peer group support, that formed part of the EGF package. And for both the German and Finnish cases, EGF assistance allowed training delivery partnerships to prepare more detailed assessments of labour market requirements and developed tailored training provision, which was more likely to lead to positive job outcomes. In Finland, due to governmental budgetary restrictions, hiring extra support staff to assist workers is problematic. EGF funding, however, meant that more support staff could be recruited, and the local job centre was able to receive assistance from additional advisors, an occupational psychologist and a team leader.

A further limitation of both the German and Finnish traditional models is that they often lack time and financial resources. This creates problems for those workers who are most in need of assistance, such workers needing more in-depth intervention, counselling and training to enable them to re-enter the labour market. In the case of both BenQ and Perlos, those interviewed for the case study – *Added value of the European Globalisation adjustment Fund: A comparison of experiences in Germany and Finland* – felt that the key benefit of EGF intervention was the extra resources and personnel that were mobilised to assist workers, rather than the creation of new types of support schemes. And in both cases, it was felt to be the most vulnerable groups of affected workers – older people, those with low levels of skills and women (especially single mothers) – who benefited most from the additional support provided by EGF funding. When surveyed, workers in both companies particularly appreciated the more intense and individualised support offered in the form of new advisors.

in recession, the EERP seeks to coordinate Member States' policies, as well as provide additional funding through the European Investment Bank (EIB) and funds such as the European Social Fund (ESF). The key thrust of the EERP is to stimulate spending and thus help preserve jobs until such time as recovery takes hold.

The plan also announced the temporary widening of the rules of operation of the European Globalisation adjustment Fund (EGF), to enable it to act as a dedicated response to restructuring at company level that is a result of the crisis. Under this derogation, applicant Member States are required to demonstrate a clear link between the redundancies and the economic crisis. The widening of the scope will apply until the end of 2011, as will the increase in EU financing, which rose from 50% to 65%. Moreover, the threshold for the number of redundancies, required to qualify for support has been lowered from 1,000 to 500, either as one case or a number of smaller cases. So far, the majority of funds have been spent on job

matching and counselling measures, as well as re-training. The EGF does, however, allow for other measures such as mobility grants, salary support measures and actions targeted at especially disadvantaged groups.

RESPONDING TO THE RECESSION

Member State responses

As the effects of the recession unfolded across Europe, national and regional governments in Member States responded by launching comprehensive anti-crisis packages. A key element of many of these packages is support and assistance for companies and workers facing the challenges of falling demand, and consequently a distressed labour market.

Using a wide range of measures, Member States have fought the battle on a number of fronts – seeking to protect jobs, dealing with the consequences of unemployment and mitigating its impact when it does occur,



and – with a view to the longer-term – seeking to maintain employability and preserve the conditions for job growth.

Cutting working time

One of the most important instruments that governments have introduced, or in some cases extended, is financially supported short-time

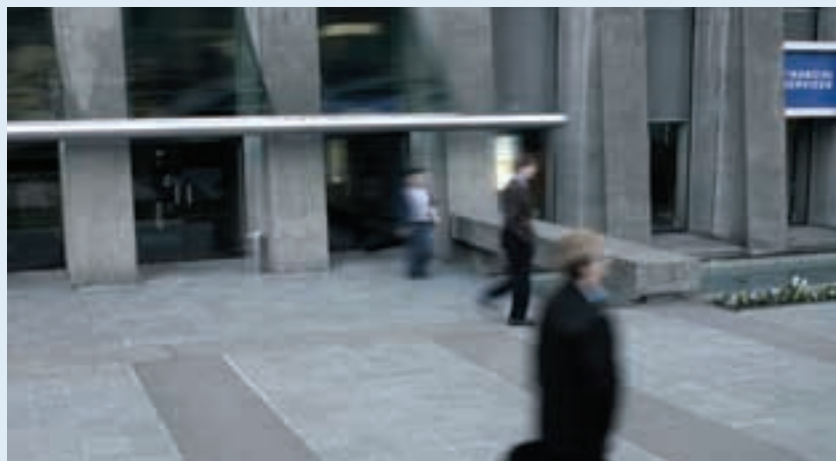


Hitting the brakes – the car sector in crisis

The automotive sector is a vital employer, with more than 2.2 million people directly employed in Europe and nearly 10 million in supply chain activities – accounting for nearly one third of all European manufacturing jobs. However, the ongoing recession has hit the automotive sector hard: a drop in sales in the first four months of 2009 of around 15% in the EU15 and 21% in the NMS sent shock waves through the sector, threatening countless jobs. For instance, in mid February, General Motors announced that it would shed 47,00 jobs, while in March Volkswagen announced that it would cut all 16,500 temporary jobs in its worldwide operations.

working. In response to reduced demand, and hence output, employers cut the working hours – and pay – of their employees (often in line with collective agreements), temporary state assistance then topping up employees' wages. Such schemes both protect employees against severe income loss and allow companies to retain skilled workers, at a reduced cost to the company. Given the very different national labour laws and collective bargaining regimes across Europe, however, the extent to which national governments and companies have cooperated in facilitating short-time working over the course of the crisis has varied.

In Germany, the already existing federal *Kurzarbeit* system provides a state-supported backup for companies resorting to short-time working. When a company's need for working time flexibility extends beyond – or has exhausted – what has been collectively agreed, it can have recourse to the federal funds. Between October and December 2008, there was a more than five-fold increase in the numbers



of workers potentially benefitting from payments from the fund; by March 2009, around 1.1 million German workers were working subsidised reduced working hours. By some estimates, without this policy measure, over 350,000 German workers would have been laid off. Certainly, due to stimulus measures generally, the fall in GDP experienced by Germany did not result in the fall in employment that might have been expected. Germany's GDP fell by 6.7% between the first quarter of 2008 and the first

quarter of 2009, while GDP in Spain fell by less than half that amount – only 3%. However, while employment grew slightly in Germany – by 0.4% – over the period, it fell in Spain by 6.3%.

A similar intervention – partial unemployment (*chômage partiel*) – in France has helped safeguard jobs, in particular, in the automotive industry, where the number of companies applying for funding under the scheme rose considerably. Under the French scheme,

In 2009, Eurofound research looked at developments in the sector, how the car industry responded to the economic crisis and what policy responses were drawn up at national and European levels. Many national governments stepped in to provide emergency loans and create more demand – for example, by introducing scrappage schemes, which reward the purchaser of a new car with a cash incentive. While this did boost consumer demand in Germany, similar schemes elsewhere did not demonstrate the same impact. Short-time working schemes saved jobs, at least in the short-term, the state providing a salary top-up to compensate for the reduced wages and to ensure continued social security contributions.

Company-level initiatives

In a number of countries, companies have developed their own initiatives to maintain staff in the face of falling demand. These include temporary production stops combined with unpaid leave for employees, temporary layoffs, pay freezes and pay cuts. In some cases – Bentley Motors in the UK, Toyota UK, Volvo in Sweden and Opel in Poland – the workforce is given the opportunity for training during production stops or short-time work, either to increase skills or be better prepared in the case of potential dismissal. It remains to be seen whether such measures can help support the automotive sector until the general economic climate picks up again. As of July 2009, evidence seemed to indicate that more mergers and closures would occur.

For more, see *Recent restructuring trends and policies in the automotive sector*.

in cases of exceptional economic difficulties, state funds are used to cover 60% of minimum hourly wages during periods when staff are temporarily laid off. Similar schemes have been employed in the Netherlands and Austria. In the UK, where bargaining is largely decentralised, measures to reduce working time in the face of recession have largely been the outcome of company-level negotiations between management and trade unions. No state-wide programme exists to help employers maintain employment through the use of short-time working.

It does appear that those countries that have actively implemented such measures as working time flexibility, short-time working and temporary lay offs have been able to limit the extent of redundancies. For instance, Austria, France, Germany and the Netherlands, all of which used combinations of these measures, have experienced a less dramatic increase in unemployment than many other Member States. However, these positive results may not endure over time, if the employment market should fail to take off. There is a real danger of unemployment levels rising rapidly even in countries such as France and Germany whose manufacturing sectors have so far managed to avoid large-scale restructuring arising from the recession.

Cutting labour costs

Getting reductions on labour costs can clearly help companies' financial situation in a time of crisis. In a number of Member States, governments have reduced or deferred the non-wage costs of labour – primarily the taxes and contributions payable by employers. In Germany for instance, employer contributions to unemployment insurance have been lowered



to 2.8% for 2009 and 2010. In some countries, particular groups of workers, or companies in particular sectors, are subject to reduced social security contributions. In the Czech Republic, Hungary and Portugal, for instance, the government encourages companies to hire older workers through reducing or exempting their social security contributions, such as health insurance. Meanwhile, in Spain, the government has deferred employer contributions in the airline and road transport sectors.

Company level measures

Over the course of 2008 and 2009, companies in a range of sectors took their own steps, without the support of the State, to adapt working time and so reduce labour costs. A range of measures were used to implement this: production stops; obligations to take annual leave; shorter working weeks or days; enhanced use of working time accounts; leave rotation; and sabbaticals. In addition, pay has been cut in many cases – by as much as 10% or 20%. In practice, companies have adopted a combination of measures and usually in consultation with trade unions and works councils.

Pay cuts to save jobs

In order to avoid redundancies, many employers agreed pay freezes or pay cuts with employee representatives. In many cases, pay cuts have not been applied uniformly to all employees, but rather are phased across income bands – for instance, pay freezes for low-income earners, moderate pay cuts for medium-income earners and greater pay cuts and non-payment of bonuses for management staff. Usually these job saving measures have been introduced in tandem with others, rather than as stand-alone initiatives. For instance, in January 2009, electronic manufacturer Sony withdrew its redundancy procedures and committed to keep its Barcelona plant in operation until 2010 in exchange for a pay freeze and longer working hours; in the same year, pilots with Czech Airlines agreed to a cut in wages of 6.5% in order to save 200 jobs, while a novel cost cutting agreement was reached by Irish airline Aer Lingus and the leading Irish trade unions, SIPTU. Under the deal, 850 workers availed of a 'leave and return' option, under which an attractive severance package was paid, with workers returning to newly defined roles on lower pay and poorer conditions.



Due to the timing of the trough of the recession, at the end of 2008 and start of 2009, a number of companies took advantage of the holiday season at the end of the year; production stops and firm closures in December 2008 and January 2009 often lasted as long as four weeks. This continued through the first half of 2009, some companies opting for production halts or reduced shifts. In general, companies' first reaction to the slack periods arising from falling demand was to reduce workers' outstanding time balances by proposing that they take advantage of holiday entitlements.

Alternatively, other companies have introduced or extended their use of

working time accounts, particularly in Germany. Workers might be asked to take time off for overtime they have already accumulated: they then benefit from time off without having to use their annual leave, while the company avoids paying higher compensation for overtime. Alternatively, workers might be asked to take time off now and work longer hours later on, when the demand for the firm's products is projected to have recovered.

In order to avoid dismissals during the current downturn in demand (when it's no longer feasible to use holiday or overtime entitlements) many European companies have placed their

1.6 million
people accessed
the Eurofound website
last year



employees on short-time working or have instituted temporary layoffs. For employees, this provides at least a temporary guarantee of not being made redundant, even if reduced working hours result in a cut in take-home pay. For employers, it boosts their internal flexibility by cutting labour costs while retaining access to labour, skills and competencies for a foreseen recovery.

In March 2009, workers at Swedish commercial vehicle manufacturer Scania agreed to accept temporary layoffs in return for a guarantee of employment for the six months following the agreement. The agreement also entailed a 20% cut in working time and a 10% decrease in pay, cuts in holiday pay and a freeze on wage increases during the year.

It seems that the application of short-time working or temporary layoffs started in January 2009, with a second wave in April-May 2009. Generally, companies have viewed it as a temporary measure, to run for somewhere between a few weeks and a few months. Some companies later extended the period over which it would run. However, some other com-

panies discovered that the planned reduction in working hours turned out not to be necessary: for instance, Skoda in the Czech Republic benefited from the upturn in demand due to the German car scrappage scheme.

A national survey in Germany late in 2009 found that despite the economic crisis affecting a majority of companies, only a small minority had laid off staff. Working time accounts represented the most widespread measure used to reduce effective working time and cushion companies against the downturn in demand; in total, 30% of companies in Germany used working time accounts either in the form of a reduction of hours saved in individual accounts or in the form of working time credits, which will need to be worked in the future, when business recovers. The second most common measure was short-time working, 20% of companies using this.

Other companies – mainly in services areas such as banking or business consulting have introduced longer-term working time reduction in the form of career breaks or sabbaticals. For instance, financial group BBVA introduced a set of cost-cutting

measures in May 2009 (which had the additional goal of seeking to help employees reconcile work and family life, and give them more flexibility). Included among the measures was the option to take between three and five years' leave to pursue personal or professional projects, on around 30% of their annual salary plus healthcare benefits, with the guarantee of a job at the end of that period.

TACKLING THE JOBS CRISIS

Against a background of mass unemployment, Member States have made particular efforts to reintegrate the unemployed into the labour market. One way to facilitate reintegration is to provide services for job matching, counselling and career guidance.

Several Member States have sought to adapt their public employment services (PES) to the increased demand resulting from job losses suffered during the recession. This may include hiring additional staff to deal with the greater demand, training existing staff members, extending the time period for consultancy or linking it to other labour market service providers.

Taking the sting out of restructuring

Restructuring, whether undertaken due to financial crisis or as the result of corporate merger is traumatic for individual workers and can have profound economic effects on the local region. However, across Europe many enterprises have made significant efforts – often in collaboration with worker representatives and public authorities – to minimise the effects of job losses. These may include helping workers retrain or find new jobs, and consulting with them about how best to achieve longer term goals. During 2009, Eurofound looked in depth at a number of cases of company restructuring to analyse what constitutes good practice in restructuring – whether related to the current crisis or not. It found that consultation is a key factor in minimising the effects of job losses. In the best case examples, moreover, cooperative consultation is built into the company's operating procedures and occurs on an ongoing basis – even when restructuring is not an issue.

A separate study found that social partnership has been a key element in mitigating the negative consequences of restructuring. In both Sweden and Belgium, social partner bodies have been created to improve the prospects of redundant workers moving quickly into new, high-quality jobs. Over the last decade, the Swedish Council for Redundancy Support and Advice (TRR) has supported nearly 160, 000 white-collar employees in 20,000 affiliated companies in finding employment or starting new careers. In addition, the scheme aims to ensure that the participant receives up to 70% of their previous salary. The joint involvement of both trade unions and employer organisations is seen as a key factor in its success to date in placing clients in new jobs, with success rates of between 60% and 70%. Moreover, the process is a lengthy one, a client's relationship with the training centre potentially lasting up to five years. In Belgium, 'reconversion units' have enjoyed similar success rates to the Swedish TRR. Set up in response to a specific instance of restructuring, a unit's tripartite association – comprising representatives of the trade unions, employer and the public employment service (PES) – manages the budget.

Social partners' structures in Spain and Italy play a different role, seeking to anticipate change before it takes the form of company restructuring and redundancies; however, no examples appear to exist of schemes that both seek to minimise job loss, and deal constructively with it.

See ERM case studies: Good practice in company restructuring and EMCC case studies – Joint social partner structures and restructuring: Comparing national approaches



Upskilling for a future upturn – training support in Member States

Over the course of the recession a number of governments have supported company training measures for employees, motivating companies to carry out additional training activities. This support has taken the form of advice and consultancy to companies either on how to manage in-house training or how to find the most suitable external provider. For instance, in the UK, the 'Train to Gain' programme is a government service offering advice on boosting the skills levels of employees, open to companies of all sizes and all sectors. Since January 2009, the initiative was extended to include short-term training in areas that create quick returns for business, such as cash flow management and business improvement techniques. In several cases public support for training has been linked with short-time working. In Austria, the Czech Republic, Germany and Poland, employers receive a training subsidy – covering between 25% and 80% of the cost – if they offer employees training courses during hours not worked while on short-time working. Other support measures include providing advice and consultancy that would otherwise be available only to the unemployed, or by giving financial support for training or personnel costs.



A need for focused measures to maintain or increase investment in training is needed: a survey in the UK, for instance, shows that 44% of companies reduced investment in training because of the crisis. In response to the risk of training being underfunded, the UK government has set aside funds to ensure that everyone under the age of 25 can get either training or a subsidised job placement if they have been unemployed for a year.

For more, see *Restructuring in recession – ERM report 2009, Sink or swim – recession and recovery in Europe* and *Social dialogue and the recession*.

Several Member States have introduced incentives (or enlarged the scope of existing programmes) for companies to create additional jobs, by allowing employers to benefit from reduced non-wage labour costs (as described above) or by providing them with wage subsidies for newly hired staff. This means that the unemployed can be assisted back into the labour market, while companies have the personnel resources they need for a future economic upturn.



The longer term – cushioning the impact of unemployment

Experience from previous recessions has shown that there is a time lag between falls in output and falls in employment; as a result, employment can be expected to deteriorate further, probably over the next four to five years. Hence it is clear that public support for maintaining and creating employment must also be maintained during the period of economic stabilisation. Many Member States have adjusted their schemes for financially supporting the unemployed to the current circumstances: for instance, relaxing the eligibility criteria for entitlement to unemployment benefits. Support has also taken the form of child benefit, housing allowances and student allowances to help those excluded from the labour market because of the recession. However, a key challenge for many Member States will be to find an appropriate balance between supporting individuals and companies and adding to the burden on the state budget.



SOCIAL DIALOGUE IN THE FACE OF RECESSION

Cooperating through the crisis

The impact of the recession on social dialogue has been mixed; it has in many cases – at least for the moment – brought social partners together in implementing pragmatic, immediate responses. However, in other Member States, particularly those attempting to implement austerity measures in face of national budget deficits, tensions between national government and in particular public sector trade unions have led to conflict.

As indicated above, the various schemes for reducing working time have in many cases relied on agreements being struck between employers and trade unions, Eurofound's industrial relations research in 2009 pointing to numerous examples of negotiated concessions between social partners.

For instance, on 26 May 2009, the Schaeffler Group, IG Metall and the group works council signed an agree-

ment defining an agreement based on cutting labour costs in exchange for temporary guarantees of job security, ruling out company redundancies until 30 June 2010, provided that the reduction in labour costs is achieved by means of a jointly agreed set of measures including working time reduction with an adjustment of wages and salaries, and a further use of short-time work. According to management, 220,000 jobs were at stake and have been saved – at least in the short term.

In the Swedish manufacturing sector, faced with the extraordinary challenge posed by the recession, the Union of Metalworkers (IF Metall) and employer organisations reached an agreement in March 2009 to reduce working hours. Under the deal, salaries are also reduced correspondingly; however, workers receive at least 80% of their normal pay. Local agreements ensure that workers are engaged in unpaid training to boost their employability and skills. By early autumn 2009, around 500 local agreements had been signed, covering around 70,000 workers and with more due to follow.

152,443

print publications were disseminated, with many more being published electronically

135,276

documents were
downloaded from
the Eurofound website
(an increase of nearly
28,000 from 2008)

TRIPARTITE COOPERATION

In many countries, social partners and national governments have worked in tripartite collaboration to draft measures aimed at mitigating the effects of the recession. A tripartite agreement in Estonia, reached in March of 2009, proposed measures in the areas of life-long learning, social security and flexible methods of working – for instance,

combining part-time work and lifelong learning, and shifting much of the service provision for social security and job seeking to electronic channels, to improve the service.

In Poland, in June 2009, the government accepted a package of anti-crisis measures put forward by the social partners, approving them in the form of two draft laws. Widely seen as a revival of social dialogue,

Concession bargaining – your wages or your jobs



With many companies under pressure to reduce costs considerably, employee representatives and trade unions are facing the uncomfortable choice of agreeing to less favourable terms of employment to assist in that cost reduction, or risk the laying off of part of the workforce, the relocation of the establishment or even business closure. Such 'concession bargaining' often entails employee representatives agreeing to wage cuts or wage freezes. Employee representatives may also agree to other rollbacks such as longer working hours – without any accompanying rise in pay – in exchange for some form of employment guarantee by management. For instance, trade union DATE in the Dutch subsidiary of the global mail delivery company TNT agreed to wage cuts of up to 15% in exchange for an employment guarantee, which

excludes dismissals for the next three years. The alternative, according to trade unions, was to put 11,000 jobs at risk in a highly competitive market.

However, trade unions are not always happy with the solutions that trade greater flexibility for more job security. A pay freeze at the SEAT car plant in Martorell in Spain was only approved in March 2009 after lengthy negotiations to resolve disputes between the parties involved. A more extensive cost cutting package was agreed in April by management at the German car manufacturer Daimler and its works council, which it is reckoned will save around €2 billion. However, Daimler's job guarantees, offered in return, have been criticised by some works council members as too limited.

While concession bargaining can contribute to more secure employment in difficult times, from the perspective of employee representatives it only succeeds if it is implemented as a short term strategy. By their very nature, concessions undermine trade unions key objective of improving employment conditions. For concession bargaining to work to the advantage of employees, concessions need to be implemented on a temporary basis and to be based on specific preconditions.

the package contained 13 measures, including raising the minimum wage, subsidising employment as an alternative to dismissals and increasing welfare benefits for workers who had lost their jobs.

As part of a plan to relaunch the country's economy and maintain workers' purchasing power, in Belgium, the social partners agreed to provide employees with so-called 'ecocheques': these can be used to buy environmentally friendly consumer goods. The tripartite intersectoral agreement, as part of the same initiative, agreed to raise the value of the widely used lunch vouchers. Given the rise in unemployment in Spain, the government decided to increase subsidies and establish a package of measures to promote employment in the public and private sectors including increased public investments in infrastructure and construction.

THE OTHER SIDE OF THE COIN – TROUBLE IN INDUSTRIAL RELATIONS

Coordinated industrial action has been more the exception than the rule over the course of the crisis. This may reflect concerns over the seriousness of the economic situation, which may



have persuaded social partners that adaptation and flexibility are more important for survival. The failure of large, well-known firms such as General Motors (internationally) and retailer Woolworths (in the UK and Germany) - and the subsequent rise in unemployment – perhaps makes it more likely that negotiation rather than industrial action would be chosen by trade unions in the event of restructuring proposals.

While the crisis has seen considerable cooperation between trade unions, employer organisations and national governments, the ongoing

economic contraction, and the extent of many of the cutbacks implemented to combat it have resulted in protests, industrial action, and in some cases the breakdown in social dialogue.

In some countries, trade unions opposed government crisis measures. In January 2009 in Lithuania, trade unions organised a national protest demonstration against government policy. Similarly in France, all the main trade union organisations called a nationwide protest strike in the same month against the government's response to the crisis.





A general strike in Italy in April – called by the General Confederation of Italian Workers (CGIL) to protest over the alleged inability of the government to tackle the economic crisis – highlighted tensions between the trade unions, as CGIL was opposed to the agreement that the government reached with the other social partners on reforming the collective bargaining system.

In Greece, a general strike highlighted the deteriorating economic situation in the country in April, trade unions protesting against the restrictive fiscal policy of the Greek government. In October, public sector trade unions launched a one day general strike over the new public sector pay bill.

In May, seven trade unions in Luxembourg organised a large demonstra-

tion calling for guarantees regarding employment, and the avoidance of any erosion of the Luxembourg social security system.

In Lithuania, the national trade union confederation launched a hunger strike in July protesting against wage cuts among already poorly paid public sector employees; protests continued in October,

In the summer of 2009, social dialogue was considered to have officially broken down in Spain, despite a signed joint statement which acknowledged the crisis facing the Spanish economy and its importance by social partners and the government. All parties committed themselves within the framework of social dialogue to take action to support economic recovery. However, government and trade

unions rejected key measures put forward by employer representatives – a reduction of employers' social security contributions, and a move to more flexible employment contracts.

In Estonia, in October, two trade unions representing healthcare workers demonstrated in protest at government plans to cut healthcare spending, arguing that the cuts in salaries would lead to emigration of healthcare workers.

In December 2009, Ireland's 22-year old system of social partnership was judged to have effectively fallen apart after the government announced that talks with the public sector trade unions on an agreed method of securing a €1 billion reduction in the public pay bill had failed.

Multinational companies and collective bargaining



In 2009, Eurofound examined the role that multinational companies (MNCs) play in collective bargaining. Being major employers, the practices of MNCs are crucial for understanding the evolution of Europe's varied systems of collective bargaining: they are prominent in pressing for change in national collective bargaining systems – including calling for a greater scope for company level negotiation and for more emphasis on competitiveness in the bargaining agenda. Moreover, their international organisation and management structures – as well as their capacity

to move jobs across borders – have implications for the structure, agenda and outcomes of collective bargaining. In addition, MNCs have generally been at the forefront of (usually company) agreements that introduce variable pay schemes and more flexible working time arrangements. In single-employer local negotiations in the manufacturing sector, MNCs make widespread use of cross-border comparisons of costs and performance (especially with lower-cost operations in eastern Europe and Asia) in negotiations – in particular in the manufacturing sector. Where relocation is a threat, cost-saving and flexibility-enhancing measures may be traded off against a guarantee to maintain production and employment; increasingly, negotiations focus on cross-national restructuring, owing to growing concerns about these very relocations.

The report outlining the research findings also discusses the need to develop transnational mechanisms of negotiation, if collective bargaining is to remain a prominent form of labour market regulation. For more information, see the full report *Multinational companies and collective bargaining*.





HOW WAS IT FOR YOU?

Working conditions in 2008-2009

HOW WAS IT FOR YOU?

Working time was shortened for many workers over 2008 and 2009, but with cuts in pay in response to falling industrial demand. Pay rise trends – substantial in a number of countries – slowed dramatically and were in some cases reversed as both rising living costs and pay freezes - or outright cuts - ate into workers' purchasing power. Eurofound research also highlighted the ongoing disadvantages faced by many workers who lack skills, work in undeclared jobs or who are not nationals of the country in which they work – lower rates of pay, a greater likelihood of precarious employment and poorer working conditions generally.



WORKING TIME

Eurofound's mandate includes the examination of working conditions across Europe, a field in which developments over 2008 and 2009 also reveal the impact of the recession. Since 2003, EIRO has been compiling an annual review of collectively agreed developments in working time across Europe. Each annual publication looks back at the year that preceded it. *Working time developments – 2008*, published midway through 2009, found that the pattern of developments in working time changed through the course of 2008. Over the previous decade in the EU15, the working week had grown somewhat shorter, average agreed weekly hours falling from 38.6 hours to 37.9 hours. The pattern was the same in the NMS; however the reduction has been less, from 39.6 hours per week to 39.4 between 2003 and 2008. Notably, this shortening of the working week did not entail any loss of pay. However, towards the end of 2008, cuts in working hours with consequent cuts in pay became

increasingly topical as the economic crisis deepened: enforced reductions in working time and – usually – pay in the form of short-time working and temporary layoffs increased as companies sought to cope with falling demand.

The annual review of working time developments also found that the length of the working week reflected a clear divide between the EU15 and the NMS12: only three of the EU15 countries had actual working weeks longer than the average for the EU27, whereas workers in 10 of the 12 new Member States worked longer weeks than the EU27 average. The longest working week was in Romania, where employees working full time put in, on average, 41.8 hours per week; by contrast, the equivalent workers in France worked 38.4 hours.

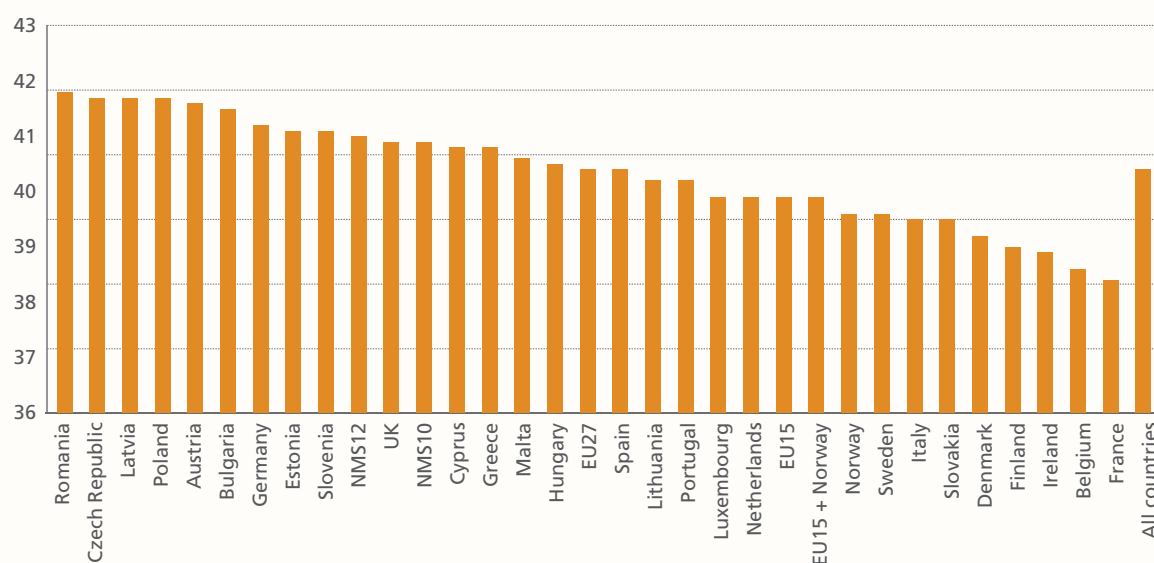
ECS investigates working time



In the first quarter of 2009, fieldwork took place for Eurofound's second European Company Survey (ECS 2009). While first results became available at the end of 2009, the findings are not discussed in this Yearbook, as the vast majority of the results only became available

in 2010 – both in the overview report and the secondary analyses. The findings of the European-wide establishment survey shed light on working time and flexibility strategies, variable pay and financial participation schemes, social dialogue and human resource practices in European companies. Human resource managers and – where available – employee representatives were interviewed in over 27,000 establishments in 30 countries: the 27 EU Member States, Croatia, Turkey and the Former Yugoslav Republic of Macedonia.

Figure 4: Average number of actual weekly hours of work in the main job of full-time employees, 2008



Note: The figure above shows harmonised Eurostat data for the average number of actual weekly hours of work in the main job of full-time employees, based on its Labour Force Survey for the third quarter of 2008. These hours include all working hours, including extra hours, whether paid or not.

The starkest differences emerged in relation to paid annual leave: workers in Sweden fared best with 33 days per year. By contrast, workers in Estonia had only 20 days. Again, a visible 'old'–'new' Member State divide was apparent.

PAY

Eurofound's programme of annual reviews of pay developments also goes back to 2003. An ongoing annual review of developments also allows for a comparison of trends over time. The latest review, *Pay developments – 2008*, found substantial differences in pay developments between 2008 and 2007. In both

years, all countries in the EU27 (and Norway, also included in the study), saw increases in average collectively agreed pay. However, steep rises in the rate of inflation brought the collectively agreed increase in pay, in real terms, from 3.6% in 2007 to 1.3% in 2008. Moreover, this much lower average translated into falls in real pay in a number of countries. While only three countries had experienced falls in real pay in 2007, in 2008 inflation equalled or outstripped the nominal pay rise in 10 Member States. Moreover, in those countries where real pay did still increase (most notably in Lithuania, Latvia, Romania and Estonia), the rises were dramatically smaller in 2008 than in 2007.

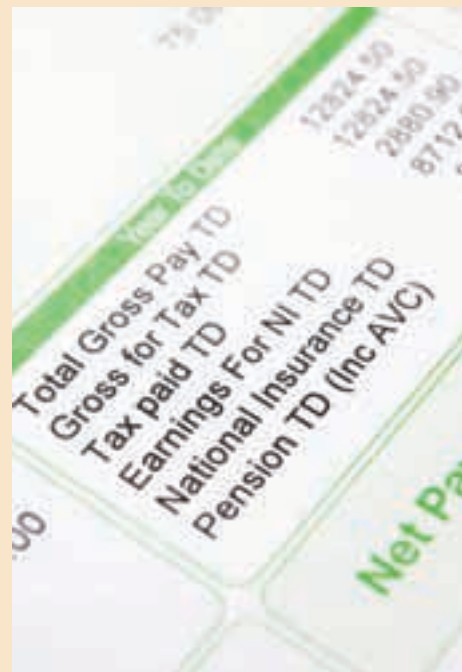
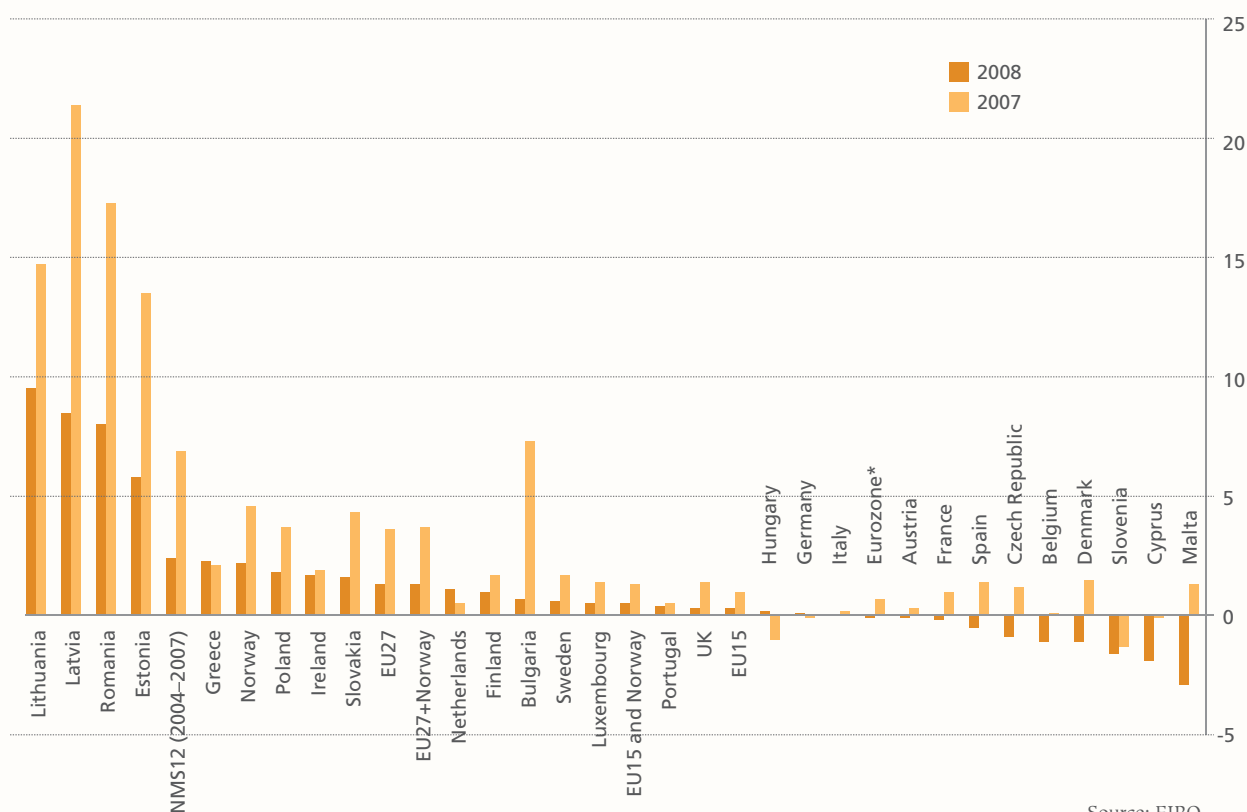


Figure 5: Average collectively agreed pay increases, adjusted for inflation, 2007 and 2008 (%)



Source: EIRO

The report also found that the persistence of the gender pay gap meant that women across Europe in 2008 earned on average 16.6% less than men, despite the explicit gender-neutral terms of European collective agreements. In the EU15 the gap has been shrinking steadily, from over 20% in 2001 to 15% in 2008. In the NMS12, the gap is higher, at 18.6%. However, these averages mask striking differences between individual Member States: the gender pay gap was least in Italy at around 4%, but greatest in Estonia, at just over 30%. It would appear that the concentration of women in a few particular jobs – in clerical occupations, and in the education and health sectors – is still the main cause of the gender pay gap. Where career systems are more strictly regulated, and when for instance selection and promotion are governed by collective agreements, as for instance in the public sector, women tend to be less disadvantaged and their career progression is more similar to that of men.

Next year's review of annual pay developments, which will outline the pay milestones of 2009, will likely tell a different story. As *Industrial relations developments in Europe 2008* points out, pressures were already growing in 2008 for pay freezes, at least. The social partners in Belgium signed an intersectoral agreement for 2009–2010 that specifically sought to address the economic crisis by, for instance, limiting increases in net annual pay and protecting workers' purchasing power through the introduction of public transport subsidies and luncheon vouchers. Spanish employers started calling for a wage freeze in 2009, along with greater flexibility for companies facing difficulties to opt out of pay agreements. Mean-



while, pay rates were frozen in the Estonian public sector for 2009.

Evidence from Eurofound's European Industrial Relations Observatory in 2009 does point to considerable pay freezes. For instance, a May survey for Ireland's principal employers' organisation found that a majority of companies had decided to freeze wage rates. Meanwhile, UK research published in May and June suggested that over a quarter of pay deals to date in the UK had resulted in pay freezes, while it indicated that more than half of UK workers had experienced a cut in pay or working hours, or a loss of benefits since the onset of the recession. Latvia saw wide-scale cuts in salaries and social benefits, to be implemented from July 2009 on – in particular, cuts in public sector salaries.

Working conditions on the margins

Clearly, working conditions vary enormously: such factors as the occupation a person holds and the sector in which they work make a huge difference to such matters as working time,

pay and the possibilities for career development. Eurofound research published in 2009 examined the particular circumstances faced by workers on the margins of the labour market – in particular, those with lower levels of qualifications, workers whose income is not declared, and migrant workers.

114 million

European citizens learned about Eurofound's work through its media outreach programme

Spotlight on employment in Turkey



Turkey is clearly in the midst of a transition away from an agricultural economy towards one based on services, as Eurofound research highlighted during 2009.

Over the years, in preparation for each wave of accession of new Member States, Eurofound has included the next candidates for EU membership within its research remit. In 2009, it looked at the state of the labour market in Turkey, publishing a report in May entitled *Quality of work and employment, industrial relations and restructuring in Turkey*. The research also established that the informal economy remains hugely important in Turkey, accounting for nearly 50% of all employment in 2007; moreover,

until the start of the decade, Turkey had no explicit employment protection, or unemployment benefit system, in place. The research also found that female participation in the labour force has declined slightly since 2000; also, women working in cities appear to be better educated than their male counterparts, while the opposite is the case in rural areas.

Boosting opportunities for low-qualified workers

In light of barriers to skills development and opportunities that workers with only a basic level of education (less than an upper secondary level of education) face in the labour market, social partners could ease their way upwards by agreeing to validate skills acquired through work rather than through formal education. This is one of the key conclusions that emerged from a piece of Eurofound research published in late 2009 – *Low-qualified workers in Europe*.

The report noted three key ways in which such workers are disadvantaged. They face difficulties in terms of their chances of getting a job – having a rate of unemployment more than double that for those with a higher level of education. In 2007, the unemployment rate for people with less than an upper secondary

level of education was almost double that for people with qualifications levels higher than this. However, an overwhelming majority of those with low qualifications not in employment are not, in fact, looking for a job: they are economically inactive rather than unemployed. In fact, only around a quarter of Europeans aged between 25 and 49 years who were not working were recorded as being unemployed. Moreover, low-qualified workers who are unemployed are at greater risk of being unemployed long term. While this is only marginally more in most countries, in some it is much higher. For instance in Slovakia, over 90% of low-qualified unemployed people had been out of work for a year or more in 2007.

Low-qualified workers are more likely to work in manual jobs or low-skilled work: in 2007, almost three quarters of low-qualified employed men aged between 25 and 49 held manual jobs.

They are also more likely to work on non-standard employment contracts, and hold lower-paying jobs, and they are only half as likely to receive training as their better qualified counterparts. The research also found that even in terms of gaining access to low-skilled jobs, such workers face a growing risk of being outcompeted by people with higher levels of education. Existing policies seek to ensure that fewer people drop out of the school system; however, the report highlights as equally important that those with lower qualifications are able to access the labour market and find stable, decent employment; apprenticeships have proved to be one effective way of bringing those with lower levels of education into the labour market.

Tackling undeclared work

Due to come into effect in 2009, new Austrian legislation, dealing with employee registration and the

liability of construction companies subcontracting work to other companies, aims to prevent the use of undeclared work in the country, particularly in the construction sector, given that existing measures had proved largely ineffective in deterring the practice. Undeclared work – work that is in itself legal, but not reported to tax authorities – has a significant adverse effect on public finances, and represents an issue for all 27 Member States. However, only rarely do Member States learn from the experience of other countries of how to address it. One feature that would assist mutual learning is a 'knowledge bank', which can identify measures that have demonstrated their effectiveness; however, no such instrument currently exists. Eurofound research attempted to make a start in filling this gap, reviewing the impact of measures taken across the EU, and assessing their transferability to other countries. A database of case studies – such as the Austrian example – was made available online in 2009, along with a report assessing the current state of national measures to change attitudes and reduce the

incentives for not declaring employment. The database highlights some of the types of approaches adopted, including deterrent measures, preventive approaches, policies that seek to legitimise undeclared work and campaigns to boost the numbers of firms and workers adhering to tax regulations; indeed, in recent years the overall tenor of measures has changed, swinging away from punitive 'sticks' to more enabling 'carrots'. The report

highlights that undeclared work varies across the Union – for instance, in terms of the type of work performed, the sectors in which it takes place, and the reasons for doing it. In light of that, it argues, policy measures need to be tailored to fit the particular circumstances of a country or region.

Read the report *Tackling undeclared work in the European Union* or search the database of cases.



What are Eurofound's most popular publications?

The three leading reports for download (in pdf format) in 2009 were:

**Second European
Quality of Life
Survey –
Overview**

**Fourth
European Working
Conditions Survey**

**Annual review of
working conditions
in the EU
2008–2009**

700

academic articles
cited Eurofound
research over the course
of 2008–2009

Occupational promotion of migrant workers

Eurofound research, the findings of which were published in 2009, found that immigrant workers are frequently segregated into low-paid, unskilled and precarious unemployment. They are more likely to work in temporary employment, be over-qualified for the positions they hold (due in part to a lack of recognition of their professional qualifications from overseas) and they are less likely to gain opportunities for training. Moreover, they may face direct discrimination. All of this results in their having fewer opportunities to move on to better jobs or advance their careers. In recognition of this, Member States and social partners have taken steps to assist immigrants to European countries in progressing in the labour market.

Austria is one example of a Member State that has sought to facilitate the recognition of foreign workers' qualifications. The issue is particularly difficult for immigrants in Austria, given the complicated and demanding process by which qualifications are recognised. A number of initiatives have been introduced, which promote advice and support to migrant workers in getting their attainments formally recognised, with the aid of European

Social Fund support. For example, a counselling centre for migrant workers has created a handbook providing clear information on the requirements and how to meet them.

Learning the language of the host country is a crucial step in better integrating into the labour market. Governments, NGOs and companies

in many Member States are starting to organise language courses as a preliminary step in creating a supportive labour market policy for immigrants. In Denmark, all migrants – not just migrant workers – are offered classes in the Danish language for up to three years. Germany goes a step further and organises 'integration courses', provided for all migrants. Run by

Investigating working conditions in Europe

Preparatory work took place throughout 2009 for the fifth European Working Conditions Survey (EWCS), to allow fieldwork to start in early 2010. To date, Eurofound has carried out four European working conditions surveys (1991, 1995, 2000/2001 and 2005). The evolution of the EWCS follows the changes in the EU itself over the last 15 years. In 1991, it covered just 12 countries; in 1995 this had risen to 15 and in 2000, 16 countries were covered (the EU15 and Norway). The 2000 survey was extended in 2001 to cover the 10 candidate countries for EU membership. The fourth survey, carried out in 2005, covered all 27 EU Member States plus Croatia, Turkey, Switzerland and Norway. The fifth survey covers the 27 EU Member States, the three EU candidate countries Turkey, Croatia and the former Yugoslav Republic of Macedonia, as well as Kosovo, Bosnia and Herzegovina, and Albania: a total of 34 countries, with around 43,000 workers interviewed. The first results of the fifth European Working Conditions Survey will be made available before the end of 2010.



public or semi-private providers, these enable migrants to improve their German language skills, and include lessons on German history and its political and legal system.

However, the lack of opportunities for migrant workers tends to be a marginal issue in the national debates, and a low priority for decision makers. Trade unions' contribution to supporting migrant workers is also rather limited: in most countries, collective agreements don't specifically address the issues that migrant workers face.

While training and education are the main ways in which migrants are assisted in progressing in the workplace, those who often need it most are denied it. Training, counselling and support are often targeted at skilled migrant workers, or unskilled workers in larger, more unionised companies, who already benefit from some protection. Migrant workers employed in unskilled jobs in traditional sectors – such as agriculture or construction – are excluded from such initiatives.

In a minority of countries, notably Belgium and Sweden, systematic efforts have been made to implement wide-ranging legal support for migrant workers. Measures include more detailed, explicit anti-discrimination legislation, diversity plans for employers, tools for trade unions to initiate legal action to support victims of discrimination, and funding for agencies that monitor complaints and mediate in workplace conflicts.







QUALITY OF LIFE

QUALITY OF LIFE

Eurofound quality of life research in 2009 also reflected the onset of the recession. Findings from Eurofound's pan European quality of life survey indicated the personal impact of the macro-economic changes taking place, as well as the diversity of ways of living across the Union and the disparity that exists between and within Member States. While personal economic circumstances grew more difficult for many people, especially those already in disadvantaged positions, broader societal changes also appear to have occurred, with levels of trust falling, but levels of perceived intergroup tensions rising.



ASSESSING QUALITY OF LIFE

It is clear that across Europe there are considerable differences and similarities, between Member States. While a tendency may exist to lump the new Member States in one category of socio economic development, and the generally wealthier existing members in the EU15 in another, the reality is more complex. For instance, Malta and Slovenia, as countries in the NMS, share some characteristics with western European countries, while citizens in the Mediterranean Member States of Greece, Italy and Portugal often have views and experiences more akin to some of the NMS than to say the Nordic Member States.

Broadly speaking, Europeans are generally satisfied with their lives. In 2009, when asked 'How satisfied would you say you are with your life these days?' an average rating was given of 6.8 out of 10. However, the levels of satisfaction vary markedly between social groups: people with higher incomes, good health, secure jobs and higher levels of educational attainment are generally more satisfied with their lives. Moreover, citi-

zens in the 12 new Member States are considerably less satisfied with their lives than those in the EU15. There is certainly an association between the level of wealth in a country (as measured in GDP) and the level of satisfaction – people in the wealthy Nordic EU Member States of Denmark, Finland and Sweden were the most satisfied of all EU citizens with their lives, rating their level of satisfaction at around 8 out of 10. By contrast, people in the poorer Bulgaria rated their satisfaction at just 4.4 out of 10.

However, it is also clear that there is no clear one-to-one mapping between national income and level of satisfaction. Data from the last wave of the EQLS survey, in Figure 7, indicates that the per capita GDP of Luxembourg is nearly twice that of Ireland's; however, citizens in the two countries gave nearly identical rat-

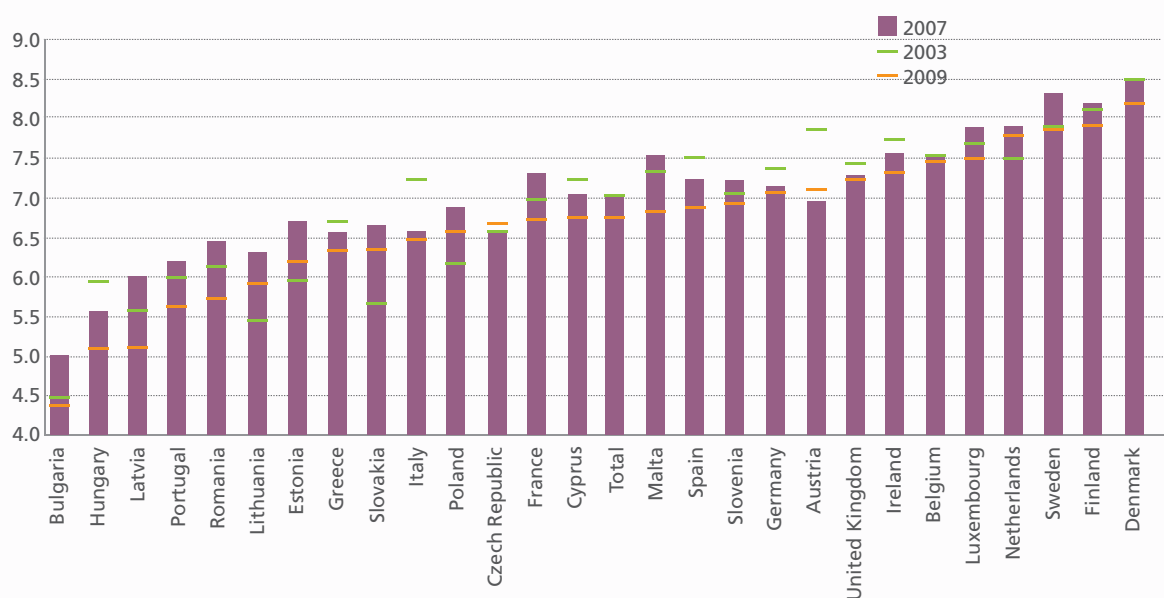


ings for life satisfaction. Conversely, while Bulgaria and Romania have similar levels of per capita GDP, ratings of life satisfaction in Romania are notably higher than in Bulgaria. It would appear that once a country is prosperous enough to meet its basic

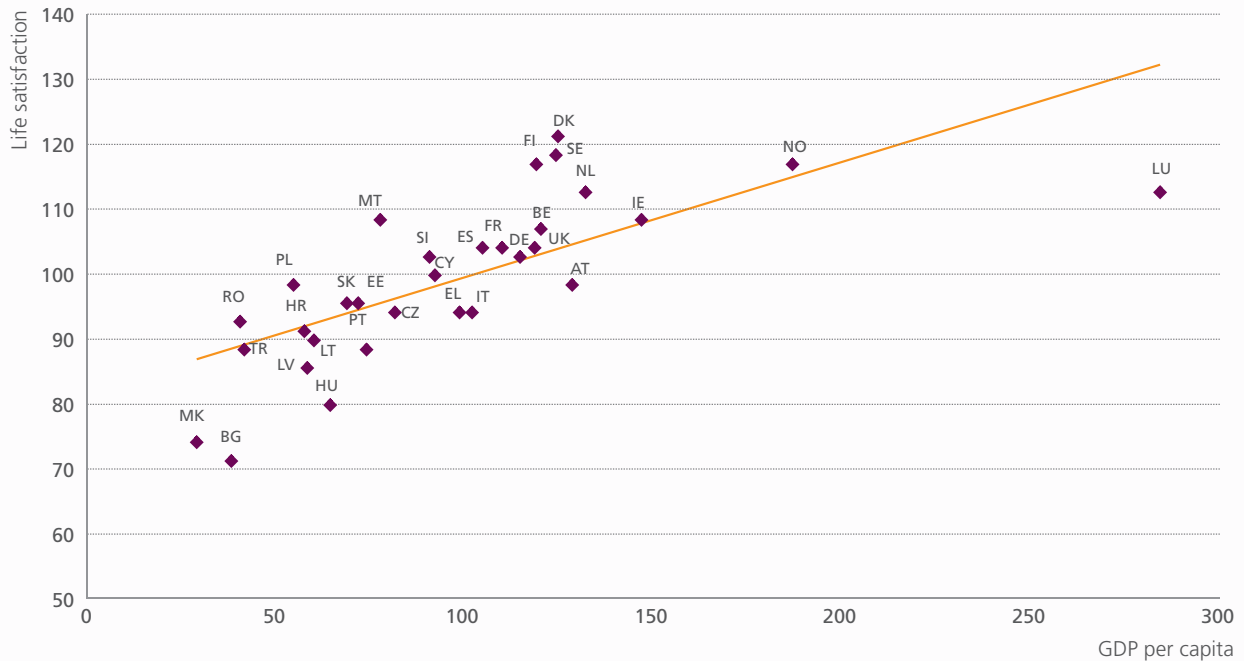
needs, other factors come into play in determining people's wellbeing.

However, income still counts in terms of shaping people's perceptions of their satisfaction: in nearly every country, the wealthiest are the most

Figure 6: Life satisfaction 2003-2007-2009



Source: EQLS 2007

Figure 7: GDP per capita and life satisfaction, by country

Source: GDP, Eurostat; life satisfaction, EQLS 2007

Question 29: All things considered, how satisfied would you say you are with your life these days? Please tell me on a scale of 1 to 10, where 1 means very dissatisfied and 10 means very satisfied. Both the GDP and life satisfaction data represent the relative level (EU = 100)

satisfied, while the poorest are the least satisfied. Moreover, a person's level of satisfaction is also related to their country's prosperity: in richer countries, people in every income group are more satisfied than those in

poorer countries. So for instance, people in the bottom 25% of the income scale in Denmark are more likely to be satisfied with their lives than the people in the top 25% in Bulgaria.

As said above, a number of factors play a role in shaping quality of life. But the one that seems to be the most important in ensuring a feeling of overall satisfaction is to be satisfied with one's standard of living. Although



Investigating quality of life in Europe

Besides mapping the objective, factual developments at European and national level in terms of restructuring, industrial relations and quality of employment, a key element of Eurofound's work is mapping how European citizens feel about their lives, their families, their societies and their working conditions.

The European Quality of Life Survey (EQLS) is a unique attempt to explore quality of life, and to compare it across Europe. Its findings highlight the social and economic policy challenges facing the EU, both in light of the two most recent rounds of enlargement and the difficulties posed by the economic downturn. A key aspect of

this holds true across Europe, it is especially the case in the NMS, which could reflect the greater difficulty that many citizens have in these countries in having an adequate standard of living.

However, updated survey findings from September – see box – point to substantial falls in a number of elements of quality of life, particularly in those countries that have been most severely affected by unemployment in the course of the current recession.

While it also used EU statistics in collaboration with its own data to assess the material well being of citizens across the Union, the EQLS sought to gain a more direct idea of how people fare in material terms. Both in 2007 and in 2009, citizens were asked if they had difficulty in making ends meet.

It would seem that those Member States that have suffered most in terms of increasing unemployment and falls in GDP since the onset of the economic crisis are among those whose households were experiencing in 2009 the greatest hardship and deprivation.

What makes people happy?

Life satisfaction is one aspect of quality of life measured in the EQLS. Eurofound research also asked how happy people felt themselves to be. While at first glance, the two may appear to be synonymous, nearly universally across Europe, people are in fact more happy than they are satisfied. The difference between the two was particularly marked in the low-income new Member States and the candidate countries. This points to the profound difference between the two indicators: happiness is more emotionally driven and less affected by a person's living standards, while 'satisfaction' is more influenced by external, socioeconomic circumstances. While an adequate standard of living is still important in ensuring happiness, the most important precondition for a happy life is a satisfying family and social life. While both of these are almost equally important in the EU15, in the NMS family life is much more important.

So what makes people unhappy or dissatisfied? Unemployment is perhaps the key factor for a poor quality of life – a finding that underlines the relevance of the policy measures outlined earlier in the Yearbook to try and stem employment losses arising from the recession. Unemployed people are the most at risk of feeling both unhappy and dissatisfied (as well as alienated), being three times more likely than those in employment to feel this way. Other at-risk groups include people with limited education, those on low incomes, unskilled workers, single parents and people suffering chronic illnesses.

the survey is that it incorporates both objective elements – asking people for instance if they can afford an annual holiday – and subjective, asking people how much trust they have in the fellow citizens. The first survey was conducted in 2003, the second in late 2007 in the 27 EU Member States, the three candidate countries (Croatia, the former Yugoslav Republic of Macedonia and Turkey) as well as Norway. More than 35,000 respondents aged 18 years or older were interviewed, mainly face-to-face. The questionnaire was designed to fit into a 30 minute interview, cover a broad spectrum of life domains with an emphasis upon employment, housing, family, social and political participation, quality of society and subjective well-being. The findings of the survey were published first in a résumé of first findings in November 2008, and then in a descriptive overview report in March 2009. More in-depth analyses were conducted over the course of the rest of the year.

Factoring in recession – how Eurofound updated its 2007 data



The onset of the recession over the course of 2008 changed dramatically the life circumstances of many European citizens, potentially rendering out of date many of the findings of the 2007 survey.

While the survey's normal four-year cycle was too lengthy to allow a timely response to the downturn of 2009–2009, using the European Commission's Eurobarometer tool has enabled a comparison of responses to key questions and provides an insight into European citizens of the economic crisis.

To address this, Eurofound collaborated with the Eurobarometer survey, the European Commission's own survey of public opinion, to include a number of questions from the EQLS in the September 2009 Eurobarometer survey. Having data for a number of questions for the three years 2003, 2007 and 2009 provides a picture of trends over time, and most dramatically, gauges something of the impact of the recession as it unfolds on the ground.

As of the end of 2009, Latvia, Lithuania and Ireland had experienced the sharpest economic contractions, of more than 10%, while the same countries, together with Estonia and Spain had experienced particularly severe rises in unemployment. When asked about their situation, households in Latvia, Lithuania, Ireland (and Greece) indicated that making ends meet in those countries had become considerably more difficult between 2007 and 2009. In Greece, while 32% had found it difficult or very difficult to make ends meet in 2007, 38% did so in 2009. In Latvia, the figure had been 25% in 2007, but rose to 31% by September 2009; the equivalent figure for Lithuania rose from 11% to 19%, and for Ireland from 4% to 9% – representing a more than doubling of the households who have trouble making ends meet.

However, the position of some countries – notably Poland – appeared to improve over the same period. In 2007, 24% of Polish households had difficulty in making ends meet; in 2009, that figure had fallen to 17%. In Romania, the comparable figure fell from 30% to 26%. In Slovakia, it fell from 15% to 13%, in Belgium from 14% to 11% and in the UK from 7% to 6%.

Europe at a glance



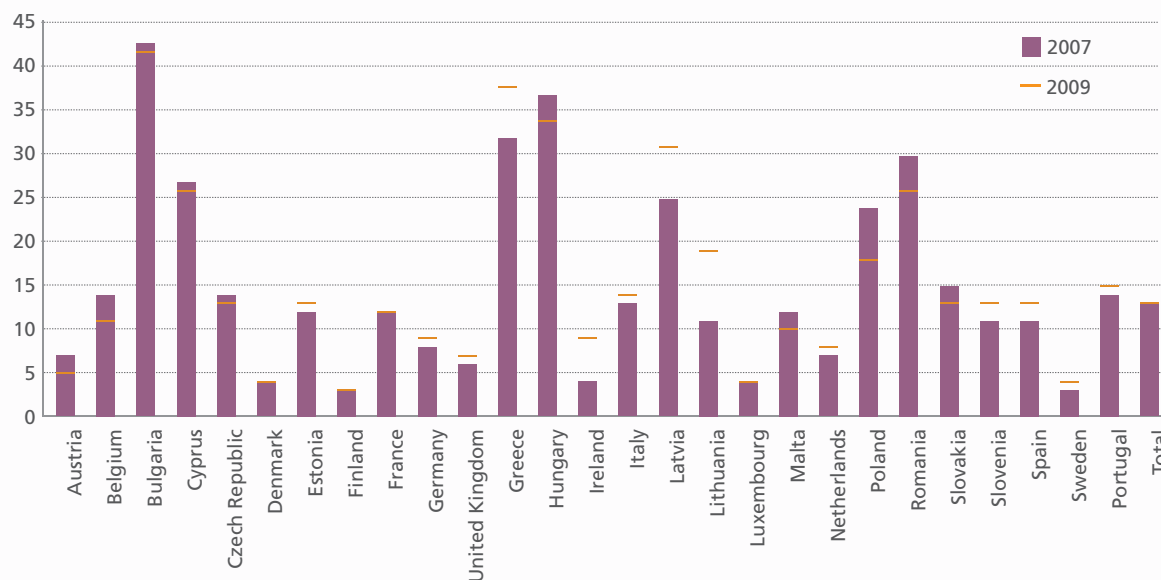
Family

Family and household sizes vary considerably across Europe: in Denmark, the average household numbered 2.5 persons in 2007, while in Turkey, it comprised 4.2 persons. Generally, the smallest households are found in northern European countries and the largest in the three candidate countries. Overall, 37% of European households consist of a couple with children, and a quarter consist of a couple only, while one in six households consists of a single person; however, the proportion of single-person households doubles for people aged 65 years and over.



Housing

In the EU27 as a whole, 70% of people own their own home, while nearly half own it outright without any form of mortgage or loan. The proportion of people who own their own home is much higher in the NMS12 where on average 74% own their home outright, the highest proportion being in Romania (87%). However, this greater extent of owner-occupation does not translate into a higher quality of accommodation.

Figure 8: Proportion having difficulty in making ends meet

Source: EQLS 2007

The EQLS also sought to gain a more direct idea of citizen's material well being. European citizens were asked if they lacked any of a range of six items because they were unable to afford them: adequate home heating; an annual holiday; new furniture to replace worn-out items; a meal with meat, chicken or fish every second day; new clothes; and the means to

entertain guests at home. It found both dramatic differences in material deprivation across Europe: ten times as many people in the low-income candidate countries as in the wealthier EU15 were unable to afford most or all of these items.

It also found considerable inequalities *within* some countries: in Roma-

nia, the poorest 25% of citizens are deprived of four of the six items, while the richest 25% are deprived of only one. By contrast, the disparity (as well as the extent) of deprivation between and among citizens in Sweden was extremely low. What is also striking is that in some of the poorer countries among the CC3 and the NMS12, the richest citizens are still more deprived



Public services

How Europeans rate their public services – such as public transport, education and the state pension system – varies both for individual services and for different countries. On a scale from 1 to 10, citizens across the EU27 gave a rating of 6.3 to both their national public transport and education systems, but only a rating of 4.8 to their state pension system, reflecting perhaps widespread concern about the sustainability of pension systems. Meanwhile, citizens in the EU15 generally rate their public services more highly than their neighbours in the NMS12: while Bulgarians gave a rating of 4.9 to their education system, Danes rated theirs at 7.6



Health

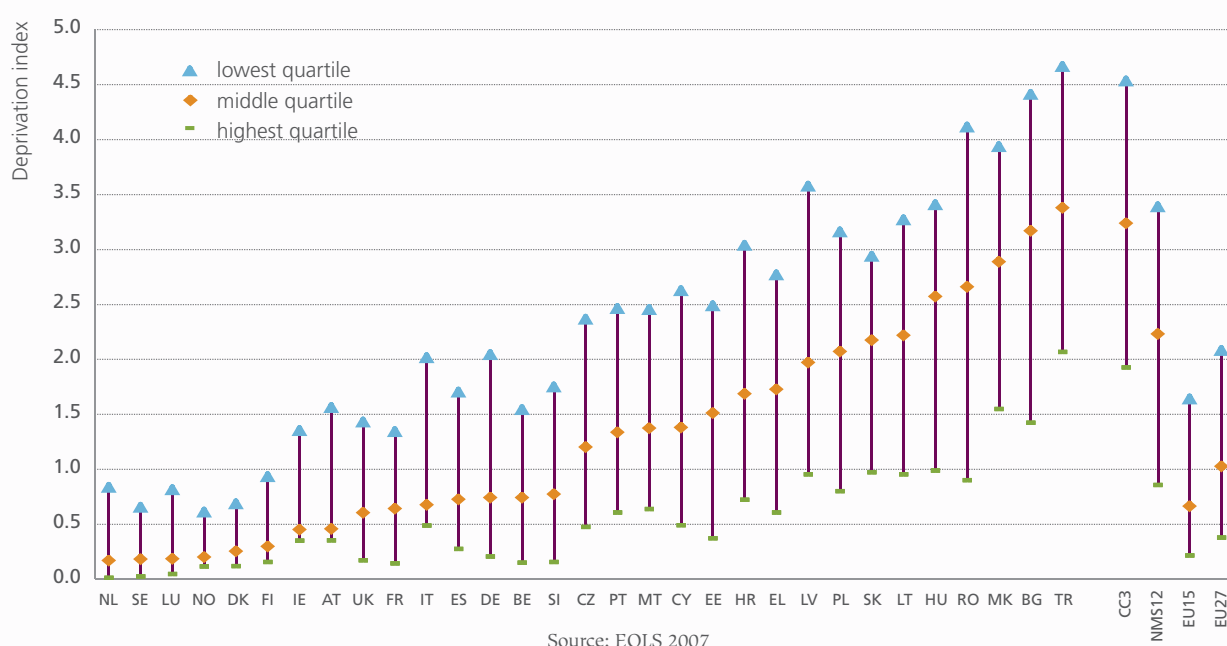
On average in the EU, 24% of people have a long-standing health problem or disability. However, in Finland some 39% of people report a chronic health problem, as against only 13% in Italy; this may reflect cultural factors as well as the citizens' own situations. Not surprisingly, rates of chronic ill-health increase markedly with age; in particular, older women in the NMS12 are most likely to suffer, with 56% of women aged over 65 years having a long-term issue with their health.

than the poorest in some of the EU15. In Turkey, FYR Macedonia, Bulgaria, Romania, Hungary, Lithuania, Slovakia and Latvia in 2007, the richest 25% were more deprived than the poorest 25% in Denmark, Sweden, Luxembourg and the Netherlands.

That was 2007. What changed by September 2009? The Eurobarometer survey included only one item from the original list of six: it asked households if they could afford to eat a meal with meat, chicken or fish every other day if they wanted to. The

responses indicated a stark change in circumstances – albeit for a small number of countries – since 2007. In 2007, 41% of Bulgarian households could not afford to eat meat, chicken or fish every second day; by September 2009, that figure had risen to 50%.

Figure 9: Mean deprivation index, by income quartile and country



Data derived from Question 19 (Source EQLS). The deprivation index runs from zero (for no item missing) to six (for all six items missing)



Immigration

In the EU27, about half of all those surveyed felt that migrants should only be allowed to come and work in their country if jobs were available; a further 29% wanted to see strict limits on the numbers coming to work in their country, while 7% would prefer to completely prohibit foreigners from coming to work. In particular, citizens in countries that have experienced large immigration inflows since the enlargement of 2004 are more likely to feel strongly about the issue: in Cyprus, Greece, Ireland, Malta and the UK, between 40% and 50% of respondents want to see strict controls applied to immigration.



Optimism

In 2007, when asked about the future, more than three quarters of citizens in the Nordic Member States said that they were optimistic about the future. By contrast, in three EU15 countries (France, Italy and Portugal) and four new Member States (the Czech Republic, Bulgaria, Slovakia and Hungary) fewer than half of those surveyed expressed such optimism. In Hungary, in fact, more people indicated that they were pessimistic about the future rather than optimistic.

In Hungary, the figure had been 32% in 2007; in 2009, it was 42%; in Estonia, it rose from 9% to 14%. And Italy experienced the greatest rise in deprivation, the figure trebling from 3% of households in 2007 to 9% in 2009.

Across Europe, a downwards trend from 2007 to 2009 is visible in nearly all countries in terms of satisfaction with standard of living; in some, this is quite steep – in Latvia, Romania, Portugal and Malta, for instance. One's place in society also appears to be important: the biggest decline in satisfaction with standard of living was among people aged 65 years and over in the NMS12; these people also suffered the greatest fall in overall life satisfaction.

What does appear to be an almost universal development is an increase between 2007 and 2009 in the perceived level of societal tension across Europe, and a decline in the rating of core national institutions. Since 2007, the number of households who felt that a lot of tensions exist between ethnic groups has risen by 7%, with a similar increase in those perceiving tensions between rich and poor (8%). However, cross-European averages

Trends in quality of life from 2003–2007

Secondary analysis of the 2007 EQLS included a review of the changes between the first survey (in 2003) and the second in 2009. In economic terms, in Europe, the period 2003 to 2007 was marked by rapid economic growth, especially in the new Member States, where economic transformation and inward investment resulted in two-digit annual growth rates. This period of accession saw the gap, in economic terms, between the NMS and the EU15 reduced considerably: in 2004, when the NMS10 entered the Union, the level of GDP in these 10 countries was 49% of that in the EU15; by 2007, it had risen to 56%. Over the same period, the gap also narrowed in Bulgaria and Romania, from 28% to 34%.

In general, for the 27 Member States as a whole, quality of life remained broadly stable between 2003 and 2007, although there were a number of small positive changes – increased satisfaction with the quality of some public services, for instance. However, in those countries that joined the EU in 2004, quality of life overall improved more, relative to the EU15. For instance, while citizens in Slovakia gave their standard of living a satisfaction rating of 5.1 out of 10 in 2003, by 2007 this had risen to 6.7 (but fell to 6.3 by 2009). Assessments of quality of life in Bulgaria and Romania showed much less rapid progress.



Self-sufficiency

Households that find their income insufficient to meet their needs may use alternative strategies to deal with their situation. Unsurprisingly, adopting a degree of self-sufficiency is more common in poorer countries: around half of all households in the candidate countries and the NMS12 (apart from Cyprus and Malta) produce at least some of their own food. By contrast, only about one household in five in Austria, Belgium and Germany does so. On a similar note, between 20% and 30% of households in Croatia and FYR Macedonia bring together three generations of families under the one roof, in order to share living expenses.



Voluntary work

The extent to which Europeans engage in voluntary or charitable work outside their paid job varies greatly across the continent. While more than 53% of citizens in Norway said that they sometimes engaged in such unpaid work, only a little over 6% of Croatian citizens did so. While voluntary work is substantially more common on average in the EU15 (especially in the Nordic countries, and in Austria) than in the candidate countries, the picture is still quite mixed: while nearly 16% of Turkish citizens perform voluntary work, only just over 7% of Spanish citizens do so.



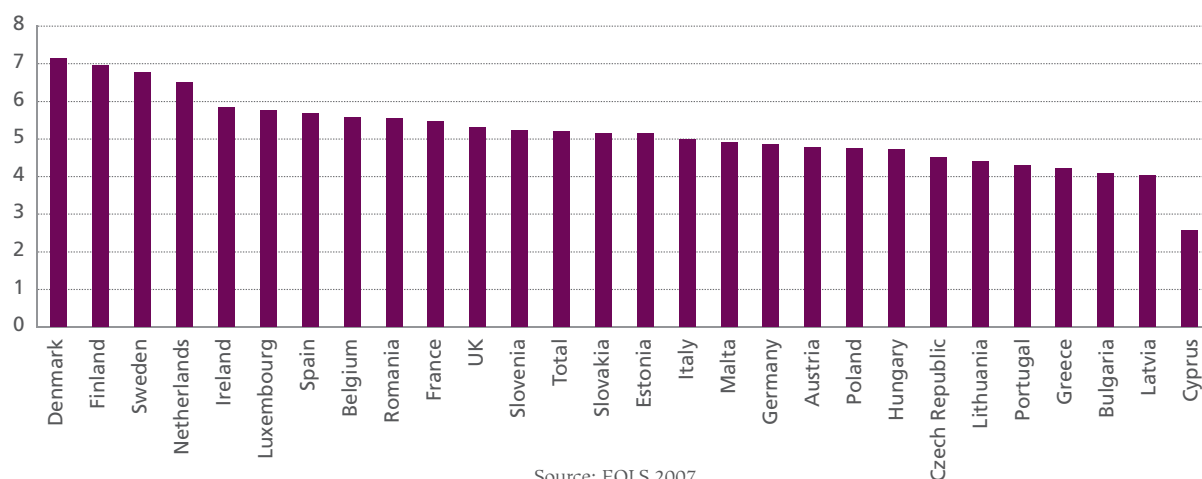
mask greater changes at the national level. Whereas in 2007, 22% of households in Slovakia felt that there was a lot of tension between racial and ethnic groups, in 2009 this figure had soared to 58%. Sharp rises can also be seen in Malta (from 43% to 67%), Denmark (from 36% to 56%), and Hungary (from 50% to 69%). Perceived tensions between rich and poor increased in nearly all countries between 2007 and 2009, and considerably in some, including Malta, Estonia, Slovenia and Slovakia, with rises of 10 percentage points or more.

Moreover, since 2007, Europeans appear to have suffered a loss of trust

– both in their fellow citizens and in national institutions. When asked in 2007 to rate their level of trust in other people on a scale from 1 to 10, the average European household gave a rating of 5.3; in 2009, this had fallen to 4.9. Even steeper declines in the level of trust became evident for national governments and parliaments: average levels of trust in both have fallen from 4.6 to 4.1, an average decline of 11%. And again, the situation is worse in some countries than in others. For instance, the decline in trust of the national government is most marked in Ireland, Spain, Romania, Latvia and Greece, where the drop in the level of trust ranges from 22% to 33%.

Who do you trust?

Figure 10: Ratings of trust in other people, by country, 2007



Source: EQLS 2007

Note: Respondents were asked to rate their level of trust in other people from 1 to 10.

Analysis of the data from 2007 indicated that levels of trust (or distrust) were not uniform throughout society. In general, people who occupy a vulnerable place in society – the unemployed, those in poor health, or single parents – tend to be less trusting of others. Age is also a factor in people's level of trust, but not in the same way across Europe. In both the EU15 and the CC3, people aged 65 years and over are most trusting; by contrast, in the NMS, it is younger people (aged between 18 and 34) who have most trust in other people – pointing to different generational experiences of political and social change.

While the drive continues at EU and national level to ensure social and economic development across Europe - most notably in this European year for Combating Poverty and Social Exclusion - the trends that emerge from the successive waves of the EQLS confirm that the fight is not yet over.

Other quality of life findings published in 2009 are arguably more resistant to change: the 2007 survey findings indicate for instance the central role that family appears to play in childcare and in eldercare. It also remains, for most people, the first port of call for support in emergencies; this underlines the quality of family relationships as the most important aspect of quality of life. The majority of Europeans - 88% - said in 2007 that they could turn to their family when they needed help, such as help around the house if they were ill. Just over 70% felt that in an emergency they could turn to their families for money.

Moreover, Europeans have regular, frequent contact with their families and friends. Half of all citizens with children living outside the household meet up with one or more of their children at least every day or every other day. And people seem to be broadly satisfied with their family life, giving it a rating of 8 out of 10.

Work-life balance

Having a job generally increases people's life satisfaction considerably: those who are unemployed are more unhappy. Moreover, despite weakening of familial ties, the family is hugely important to Europeans, being both a key source of satisfaction and a major element of support.

However, balancing the often conflicting demands of the two is not easy.

Almost half (48%) of all citizens in paid employment said that at least several times a month they were too tired as a result of their work to do household jobs, while nearly a quarter (22%) said that this was the case several times a week.

Workers in south-eastern Europe seemed to have the greatest difficulties in 2007 in reconciling work and home. In Croatia and Greece, over 70% said that several times a month they were too tired to do household chores, because of work. Workers in Belgium, Italy, Germany the Netherlands and Norway seem to have the least trouble in reconciling the two.

Meanwhile, 29% of workers said that several times a month they had difficulties meeting family responsibilities because of the amount of time they spend in work. Not surprisingly, those who work longer hours tend to have greater difficulties in striking a work-life balance than those who work shorter hours; women - in particular - in recognition of this in many cases adjust their working hours to better accommodate the demands of a family and a home - working part-time, for instance. Certainly women spend much more time involved in domestic care than do men: across Europe on average, women spend around 33 hours a week in looking after children, for instance, while men spend only 18.

Health and healthcare

While health is important to Europeans, 81% rating it as being 'very important' for their quality of life, only 21% consider their own health to be very good, while 46% rated it as 'good'. People in the NMS and the CC3 - and women in particular - felt their health, on average, to be worse than in the EU15. Not surprisingly,



older Europeans are more likely to feel in poor health; however, older people in the NMS (those aged 65 and over) appear to be in worse health: 34% said that their health was bad, as against only 15% of the same age group in the EU15. And poorer people fare worse, as well: 14% of those at the bottom of the income spectrum said their health was poor, compared with only 4% at the top. Again, however citizens in some countries fare worse: in Bulgaria, Croatia, Hungary, Latvia and Portugal, 30% or more at the bottom of the income ladder said they were in poor health.

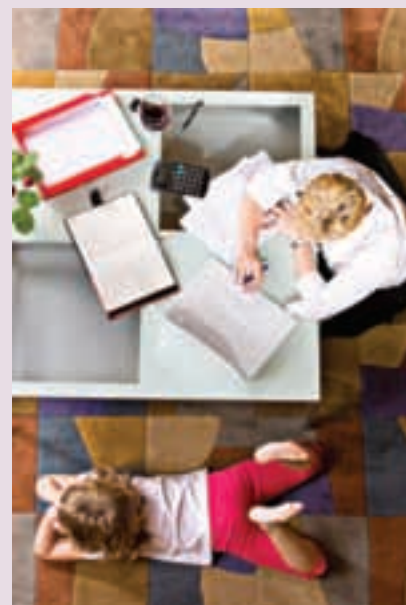
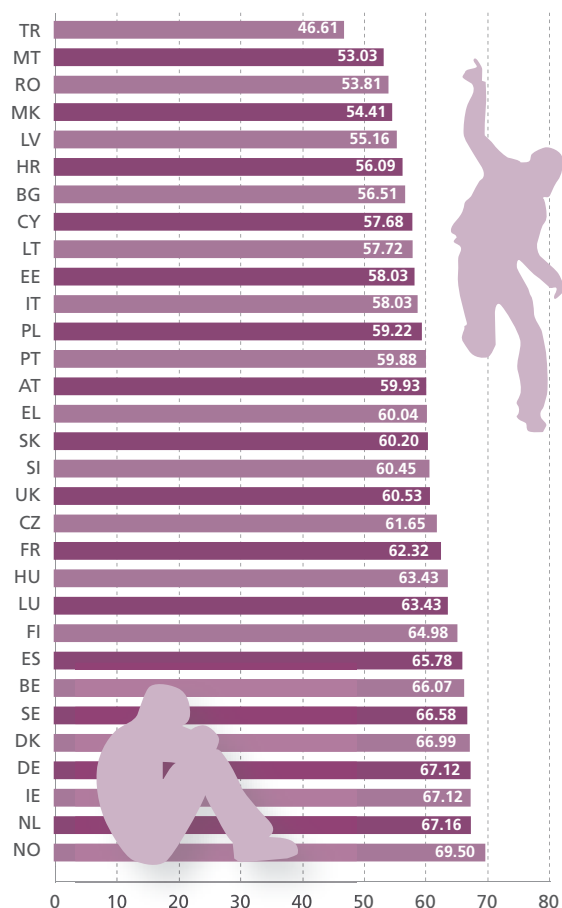


Figure 11: Mean mental health index by country

Source: EQLS 2007

Measuring mental health

The EQLS examined the mental well-being of European citizens using a set of questions devised by the World Health Organisation. Citizens were asked to indicate how they had been feeling – had they been feeling cheerful and in good spirits? Calm and relaxed? Active and vigorous? Had they been waking up feeling fresh and rested? Do they feel their day is interesting? The above graph indicates for each country the proportion of citizens who had felt this way all, or most of the time, for the previous two weeks.

A key aspect of one's well-being is mental health. People appear to be in better mental health in the EU15 and Norway, while people in Turkey appear to suffer most with mental health. Generally, the pattern for mental health tends to mirror that for physical health: it tends to be worse in older people, is better in those with higher incomes than lower (the disparity being most evident in the CC3 and the NMS12) and is somewhat better in men than in women.

Despite the importance of adequate health care services for social protection, substantial numbers of European citizens in 2007 had trouble getting access to services. More than 25% felt they were too far from their doctor or hospital, and more than 27% found the expense of seeing a doctor problematic. People on lower incomes found accessing services more difficult than their more prosperous fellow citizens, and this disparity is greater in the NMS and the CC3: while only 22% of those at the top of the income scale in the candidate countries had difficulty with the

cost of seeing a doctor, it was problematic for 48% of those at the bottom. Overall, health services in the EU15 are rated as better by their citizens than those in the NMS and CC3; however, in Greece, Ireland, Italy and Portugal the rating of health services was worse than the average given by citizens in either the CC3 or the NMS.

Housing and neighbourhood

Another aspect of quality of life is the quality of one's surroundings – both inside and outside the home.

The overall quality of housing is better in the EU15 than in the NMS or the candidate countries. For instance, people in the Netherlands, Belgium and Luxembourg have the most living space, while those in Croatia and the former Yugoslav Republic of Macedonia have the least; only 6% of households in Sweden have problems with damp or leaks, while 23% in Estonia do; and while every household in Austria has an indoor flushing toilet, 35% of households in Romania lack this facility. People who rent their accommodation tend to have more problems than those who own

Using the data from the EQLS



Eurofound's survey mapping tool (SMT) presents data from its flagship surveys in a variety of ways. Users can select information according to their information needs. The tool allows you to view the data as a map, bar chart or table, compare national data with EU averages, view breakdowns by gender, age and income, and download the data as a .csv file (compatible with Excel).

Go to www.eurofound.europa.eu/areas/qualityoflife/eqls/eqls2007/results.htm

In addition, datasets derived from the EQLS were made available in late 2009 in the UK DataArchive, on the University of Essex's website, as part of efforts to make datasets and documentation from Eurofound's pan-European surveys available for third-party use. Also available on the site are datasets from the previous waves of the EQLS, as well as Eurofound's European Working Conditions Surveys and its first company survey. You can register at www.esds.ac.uk/support/newuser.asp and access the datasets at www.esds.ac.uk/international/access/l33365.asp

their own home. And, as might be expected, moreover, people on lower incomes have more problems than their wealthier neighbours.

The EQLS also asked people about their local environment – the extent of litter and pollution, the availability of access to green space, and the level of crime or vandalism. People in the Nordic countries were happiest with their local environments, as well as those in Austria, Germany and the Netherlands. On average, between 30% and 40% of households reported two or more of these kinds of problems in their neighbourhood. By contrast, over 80% in Italy and Bulgaria did so.

INTEGRATING MIGRANTS IN EUROPEAN CITIES

The outcome of a referendum held in Switzerland in late 2009 to ban

the further building of minarets at mosques highlights the tensions that sometimes underlie the ongoing debate on integrating ethnic and religious minorities in European societies.

In 2006, Eurofound established, together with the Congress of Local and Regional Authorities of the Council of Europe, and the city of Stuttgart a European network of Cities for Local Integration Policies for Migrants (CLIP), to examine how cities – as key magnets for immigration – have responded to the challenge of fostering integration.

In 2009, work on the project continued with the publishing of a series of case studies on initiatives taken in the realm of housing policy, and in municipal employment policy and service provision, in European cities. On 30 November – 1 December, Eurofound organised a conference in

Brussels with the theme 'Intercultural approaches to community building and cohesion in European cities – what can European integration policy learn from cities on how to manage migration and diversity in times of economic slump?', bringing together policymakers and representatives of civil society and of religious and ethnic minority groups to discuss how best to address the challenges and make the most of the opportunities arising from Europe's increasing cultural diversity, especially the integration of Muslim and other faith communities.

Full details of the work of the CLIP network are available at www.eurofound.europa.eu/areas/population-and-society/clip.htm

Further reading



Added value of the European Globalisation adjustment Fund: A comparison of experiences in Germany and Finland
www.eurofound.europa.eu/publications/htmlfiles/ef0970.htm



EMCC case studies – Joint social partners structures and restructuring: Comparing national approaches
www.eurofound.europa.eu/publications/htmlfiles/ef0918.htm

ERM case studies: Good practice in company restructuring
www.eurofound.europa.eu/emcc/erm/studies/tn0903016s/tn0903016s.htm



ERM report 2009 – Restructuring in recession
www.eurofound.europa.eu/publications/htmlfiles/ef0973.htm



Europe in recession: Employment initiatives at company and Member State level
www.eurofound.europa.eu/publications/htmlfiles/ef0920.htm

European restructuring monitor quarterly, issues 1 – 4, 2009
www.eurofound.europa.eu/emcc/erm/index.php?template=quarterly



Foundation Findings: Opening the door – the role of social partners in fostering social inclusion
www.eurofound.europa.eu/publications/htmlfiles/ef0944.htm



Global recession – Europe's way out: Background paper
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www.eurofound.europa.eu/eiro/studies/tn0903029s/tn0903029s.htm

Low-qualified workers in Europe
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Measures to tackle undeclared work in the European Union
www.eurofound.europa.eu/publications/htmlfiles/ef0925.htm

Multinational companies and collective bargaining
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Occupational promotion of migrant workers
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Pay developments – 2008

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Recent restructuring trends and policies in the automotive sector
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Restructuring in bankruptcy: Recent national case examples

www.eurofound.europa.eu/emcc/erm/studies/tn0908026s/tn0908026s.htm



Second European Quality of Life Survey – Overview
www.eurofound.europa.eu/publications/htmlfiles/ef0902.htm



Second European Quality of Life Survey: Quality of life in Europe, 2003–2007
www.eurofound.europa.eu/publications/htmlfiles/ef0977.htm



Sink or swim: Recession and recovery in Europe

www.eurofound.europa.eu/resourcepacks/recession.htm



Social dialogue and the recession
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Wage formation in the EU

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Working time developments – 2008

www.eurofound.europa.eu/eiro/studies/tn0903039s/tn0903039s.htm

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