



EUROPEAN COMMISSION
Employment, Social Affairs and Equal Opportunities DG

Social Dialogue, Social Rights, Working Conditions, Adaptation to Change
Social Dialogue, Industrial Relations

**Sectoral Social Dialogue Committee on Local and Regional Government
CEMR/EPSU project on “Supporting the reform process in local and regional
government:
Joint evaluation of the experience in different forms of service provision”
Workshop 18 September 2007, Brussels
Minutes**

1. Introduction:

Anders Hammarback, from EPSU, chaired the workshop. He invited participants to hold a tour de table to introduce themselves. The meeting was well attended: 15 countries were represented. The main objective of the meeting was to have a first exchange of views with the researchers from the Working Lives Research Institute about the study to be carried out within the framework of the joint CEMR/EPSU project on “*Supporting the reform process in local and regional government: Joint evaluation of the experience in different forms of service provision*”.

2. Introductory presentations:

Inge Reichert, from CEEP (European Centre of Enterprises with Public Participation), presented the CEEP project on public services restructuring and modernisation (presentation attached). The project looks at trends regarding restructuring in public services and analyses how change has been managed through social dialogue and human resources management.

She noted that even if the CEEP project is closely related to the joint CEMR/EPSU study, there are two main aspects that differentiate both projects: the CEEP project is an employers only project and it covers a broader range of sectors in addition to local and regional administration, including postal, electricity, railways, health and education. She also pointed out that one of the most difficult issues in the research has been to identify the reasons for change and the rationale for restructuring and modernisation. The project will be closed with a final conference to be held in Brussels before the end of the year. Speaking about the follow up of the project, Inge Reichert said that this is still open, several options being currently under discussion.

Fernando Vasquez, from the European Commission (DG Employment, Unit on ‘Adaptation to Change’), gave an overview of the EU’s activity in the field of restructuring. He referred to the 2005 Communication on “Restructuring and employment”¹, which will be updated by a new Communication to be published next year. The Communication analyses the current factors behind restructuring such as globalisation and increasing international competition, technological innovation or changes in consumers’ demand. Fernando Vasquez referred to anticipation and partnership as key elements to manage change successfully. He went on to speak about the Commission’s work on restructuring which for the time being has mainly focused on some specific sector, i.e. shipbuilding and car industry. Over the past years, the

Commission's has shifted from a company approach to a sectoral approach when dealing with restructuring processes.

Following the 2005 Communication, a task force on restructuring was set up within the European Commission with the aim to coordinate efforts and responses between different Commission's services. In addition, a Restructuring Forum has also been put in place, bringing together stakeholders to discuss the phenomenon of restructuring. He announced a Restructuring Forum on the Automotive Sector would be held in mid-October.

Christoph Hermann, from FORBA (the Working Life Research Centre in Vienna), spoke about the PIQUE project, which looks at the privatisation of public services and the impact on quality, employment and productivity (presentation attached). The project involves partners in Austria, Belgium, Germany, Poland, Sweden and UK, and covers the following sectors: electricity, postal services, local public transport and health services/hospital. In his presentation, he noted the difficulties encountered to access quantitative data on the impact of privatisation on employment as well as on quality. During the discussion, the issue of making a distinction between privatisation and liberalisation was raised. Also, participants referred to the difficulty of assessing processes of change due to the fact that, in many cases, the consequences of privatisation and liberalisation become visible only in the long term.

3. Joint CEMR/EPSU project:

Presentation of first results by the research team: **Richard Pond**, from the Working Lives Research Institute, presented the main findings of the interim report on the project (presentation attached). The interim report aimed to set the scene regarding the trends and drivers for change in services delivery. The first findings of the report showed the situation differs widely from country to country, especially when it comes to the use of PPPs or the extension of inter-municipal cooperation.

Richard Pond invited members to complete the information on the report and to express their views on the key trends in services delivery in their respective countries. In the afternoon session, **Anna Paraskevopoulou**, also from the Working Lives Research Institute, proposed to participants a set of criteria to select the cases studies (see attached presentation for more details). Criteria 2, on the positive outcome of the case study was much debated. Some participants suggested including also 'bad practice' examples to draw lessons from them. In response to this, it was noted the difficulty to access information in cases where something had gone wrong.

Richard Pond pointed out that the emphasis of the research should be on the process of change and how this has been jointly managed by social partners. Therefore, there might be cases where the final outcome is not positive (i.e. reduction of employment) but where social partners have developed a good negotiation process. He also referred to the weakness of unions in new Member States as a problematic issue when identifying joint cases studies in those countries.

4. Next steps:

Members were encouraged to send further information on the current trends of change in their countries as well as to contribute with suggestions for cases studies. The research team, together with the steering committee of the project, will select the cases studies ensuring a balanced and representative sample of the key processes of change.