



EUROPEAN COMMISSION

Employment, Social Affairs and Equal Opportunities DG

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

Meeting: Sectoral social dialogue committee, **Insurance**
Plenary

Time: 26.01. 2010

Participants:

Employers	Trade Unions
1. ALMBERG Gabriella (BIPAR)	1. BERGMANN Mette (DK)
2. ANKARCRONA Elisabeth (SE)	2. BERLAND Jorunn (NO)
3. BARANN Thomas (DE)	3. BUTTIGIEG John (MT)
4. BASTIEN Isabelle (BE)	4. CAVALCANTI Giovanni (IT)
5. BLIJLEVENS Rene (NL)	5. CUCINELLO Bianca (IT)
6. ELTNER Christian (AT)	6. DOMMERGUE Jean-Denys (FR)
7. GHERSO Adalgisa (IT)	7. DONATE LOPEZ Mari Carmen (ES)
8. HOCK Catherine (AMICE)	8. FISHER Bernadette (UK)
9. HOPFNER Sebastian (DE) -chair	9. KOUMIDOU Maria (CY)
10. KUROWSKI Marek (PL)	10. KUBASEK Rudolf (CZ)
11. MEURGUE Fabienne (FR)	11. LAGAUDE Damien (FR)
12. SIMEK Zdenek (CZ)	12. LUNDBERG Magnus (SE)
13. UHLENDORF Anne (DE)	13. LUNDQVIST Ulla-Britt (SE)
14. VIDONJA William (CEA)	14. MAES Elke (BE)
	15. MALVOLI Luciano (IT)
	16. MICHALEK Svetozar (SK)
	17. MOURATO Paulo (PT)
	18. PEREA MATE Javier (ES)
	19. REINBRECHT Jorg (DE)
	20. SILVA Joao (PT)
	21. SODERQVIST Anna (SE)
	22. SONDERGARD Katrine (UNI-Europa)
	23. TOTH Sandor (HU)
	24. TREU Robert (IT)
	25. VAULOT Daniel (FR)
	26. WOODS Eileen (UK)
	27. ZYLBERBERG Maurice (FR)

European Commission:

1. COLLOVA Claudio DG MARKET
2. DLOUCHY Dorota DG EMPL

MINUTES

1. Approval of agenda and minutes from the last meeting

Agenda is approved. Minutes were received really late, so it is not possible to comment on them. They will be adopted in the written procedure.

2. Adoption of the work plan 2010

Work plan was discussed at the last meeting of the committee in 2009. This joint document is shortly described by the chairman. It consists of 3 main points:

- Demographic challenge within the industry,
- Integration of the partners from EU-12 to social dialogue
- Solvency II and remuneration systems.

The work plan is unanimously adopted.

3. Joint declaration on demographic challenges in the European insurance sector

The CEA comments on the joint text – saying that the achieved consensus is of great importance, but the implementation process at the national level is of course a big challenge. Trade unions underline that signature of this document follows a long time of the stagnation in the SSDC. This document confirms the trust between social partners and the commitment to work together.

Trade unions ask to delete one paragraph from the text; paragraph 4 on the impact of the crises on employment.

Employers decide to discuss this proposal over lunch.

a. Signature of the joint declaration

The declaration is signed by all the social partners following the introduction of abovementioned change.

b. Discussion on booklet on ‘good practices’ including presentations from company level

The chairman believes that there are a number of best practices at the national level that can be presented to national affiliates. The cases should be identified by both sides and then discussed together. UNI –Europa proposes to start with examples already presented in the social dialogue meetings.

Employers say that the booklet is the first step in the implementation of the joint declaration.

CEA believes that it should be well prepared in terms of both content and the format. The examples should come from the company level and all the national representatives

present in this meeting should contribute to it. The secretariats should also prepare a template of the company's response on management of demographic change.

CEA adds that the booklet should describe the phenomenon of demographic change and its impact. It should also explain more in detail the content of the joint declaration.

Trade unions agree with the position and approach of CEA.

Italian trade unions add that it is worth also to disseminate the method, process which was used within the committee to achieve this common document.

On the question on financing the EC representative explains that there is no money on the table available without any reservation to social partners. The Commission has funds available for social partners for implementation and translation of the results of social dialogue, but this money is granted to social partners in the transparent process through the call of proposals. The proposal must come from social partners; include budget and information on expected results. The EC representative informs members of the SSSDC on deadlines available – 16 March and 31 September.

The secretariats will discuss the possibility of submitting the project proposal and they will contact DG EMPL on this.

c. Discuss other follow-up measures to the joint declaration

As far as the translation is concerned, the EC representative explains that only legislative texts by social partners can be translated into all languages due to the budget constraints. Even the European Commission documents that have no legislative status or policy setting status are not translated into all languages. There is possibility to translate text into FR and DE, but it will take a long time, due to the low priority of the non-legislative texts.

Social partners decide to translate it using the national resources.

d. Presentation of the good practice from Gothaer Group – presentation will be available here:

http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/insurance/2010/20100126&vm=detailed&sb=Title

Mr Thomas Barann starts his presentation with the description of the current demographic situation in Germany and the development of the age structure in the insurance industry. He follows with the explanation of the main HR trends and challenges in the sector. He also describes the impact of demographic change on human resources and risks associated with aging workforce.

The second part of his presentation focuses on the solutions introduced by the Gothaer group:

1. Systematic development and retention of junior staff
2. Planning based on Job Families
3. Development Programme „Women“: Project „Women in Management
4. Health Care Management: GoFit Staff Programm; Award
5. Senior Expert Model
6. Strategic personnel planning based on differential age structure analysis

During the discussion that followed, the participants underlined the innovative approach of the Gothaer Group and praised the long-term vision presented here. It was also pointed out that the employers have to have more flexible approach to human resources management as the labour market changes quickly. In particular, the participants discussed the issue of older workers exit strategies and the question of attractiveness of the sector for the young people.

Magnus Lundberg will present at the next meeting presentation on Nordic solutions.

4. Discussion on design of the new enlargement project including countries to address

The chairman remind discussion from the last meeting- stating that the project will not be introduced in March as the focus of the committee is currently on Demography.

He says that Uni Europa is still discussing internally on the choice of the countries to be included in this project. Among the proposed countries are Romania and Bulgaria, but the trade unions structures there are not really developed there and Uni has difficulties in establishing contacts there.

Employers also believe that project proposal should be well thought through. They add that the enlargement project is of great importance for the future of the Committee. Employers think that Bulgaria and Romania would be a good target.

Trade unions also propose to link the declaration on demography to the project on enlargement. They also propose to discuss this issue still within organisations.

5. Discussion on employment aspects of ‘Solvency II’ or ‘remuneration and incentive systems’

Discussion focused on remuneration and incentive systems. Speakers from trade union underline that workers are under pressure to sell products (even not needed ones) as part of the salary is linked to it. However this problem is more pronounced in banking and insurance. Also the question of the independent insurance brokers is mentioned in this context. Trade unions believe that financial crises proved that systems based mainly on performance related salaries failed to an extent.

Employers believe that this picture is oversimplified. They underlined that the crises resulted from the banking sector, while insurance sector applies the salaries based more on basic part not on the performance related part. It is added that the insurance policies have to be sell actively. The performance related part of salary must be kept and is really important also for workers.

Cyprus trade unions underline that the country specific solutions have to be taken into account here. In some countries the selling targets are very high for brokers and become dangerous.

Employers also add that the brokers have not registered working –time, so the selling targets are they way to measure the performance.

Uni Europa mentions two upcoming consultations on Package Retail Investment Products and Review of Insurance Mediation Directive. It is stated that although maybe the common position may not be reached, the exchange of views with the EC on IAs could be beneficial.

NL employers' representative says that the issue of remuneration system should be decided on the level of company not a sector, as it is the question of the business model.

Trade unions state that probably the common position is probably not to be achieved but that the committee should be attentive to the communication coming from the EC and discuss it.

6. Impact assessment. Presentation from DG Internal Market. The presentation is available here:

http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?!=/insurance/2010/20100126&vm=detailed&sb=Title

Mr Claudio Collova starts his presentation with a definition of the impact assessment within the European Commission. He underlines that IA is not a substitute for the political decision, but helps to make the informed decision.

Mr Collova than explains the whole process of preparation of IA, he gives information on stakeholders involved in it and the possible results of IA.

He points out that SSDC Insurance is best placed to provide input on the possible impacts of the proposals being prepared by DG MARKT on the employment in this sector, both in terms of employment quality and numbers of jobs.

He presents the list of impact assessments that DG MARKT is likely to prepare in the course of 2010 (subject to a decision of Commissioner Barnier). In his opinion, the most interesting IAs for this committee are:

- * Insurance Guarantee schemes (public consultations already made)
- * Review of the Financial Conglomerates Directive (public consultations already made)
- * Solvency II (Hearing -4 May)
- * Package Retail Investment Products – selling practices and disclosure of information
- * Review of Insurance Mediation Directive (public consultations at the end of 2010)

If the committee wishes to provide an input to any of the IAs of DG MARKT, then the secretariats should contact DG EMPL. The best possible outcome would be a joint position of the committee. Mr Collova proposes that social partners discuss among themselves if they want to be involved and in which way. He also reminds about the possibility of participation in the public consultations and public hearings.

Swedish trade unions ask which initiatives are subjected to the IA procedure. Mr Collova explains that all legislative proposals must be accompanied by IA. If there is no legislative proposal, IA is done only if the impacts on EU are substantial. As an example – the Communication may include clear indications concerning future legislation – in

this case IA is prepared. He also underlines that DG MARKT is working on improvement of the analysis of the social impacts.

DG EMPL also inform about the guidelines on social impacts prepared by this DG. It is publicly accessible and other DGs are using it in the IA process. She invites social partners to comment on the content of this document as it is frequently updated.

UK trade unions representative asks about the way the stakeholders replies are assessed, what is the weight of replies coming from different stakeholders.

Mr Collova explains that the EC tries not to be biased by any position. There are three categories of replies – 1. by stakeholders registered in the register of organizations (information disclosed) 2. by public authorities 3. personal replies. In each consultation, DG MARKT asks to disclose information on the number of people/bodies being represented in order to weight it properly.

Sebastian Hopfner (CEA) explains that the industry has to tackle with an even bigger number of regulations coming from Brussels. CEA representative also expresses a doubt whether the IA process is really a part of democratization. He underlines also the weak capacity of partners to really contribute to this process.

He also says that the EC will use IA process to justify the actions that may not be beneficial to the companies.

Mr Collova replies that IA is a useful tool of analysis but it is not a reply to all evils of the world.

Mr Reinbrecht also comments on the limited resources of social partners. He also makes a point that employers are represented in the experts groups, but trade unions are not invited. He believes this would be a way to make trade unions heard.

DG MARKT representative proposes to start with just one IA where the social partners believe that there are possible social impacts – then the meeting will be organised between DG EMPL, DG MARKT and the secretariats on the issue and next steps will be discussed. Mr Collova cannot comment on the issue of the experts groups as it is not his field of expertise. NL employers' representative says that he once participated in the group on pensions where trade unions were involved.

On the question on the impacts of the Impact Assessments, Mr Collova puts forward the example of the Communication on Package Retail Investment Products – where the focus of the document was shifted thanks to the studies done.

Mr Vidonja (CEA) believes that IA will improve the quality of political decisions. However, he believes that sometimes political decisions are preceding the IAs.

Mr Collova explains that in the written consultation stakeholders have at least 8 weeks for the reply.

Social partners decide to discuss the issue of their contribution to the consultations of the EC internally and come back to this in the future.

