



“The voice of SMEs in Europe”

Press Release

FOR IMMEDIATE ISSUE

SMEs discuss the “perfect mix” of flexibility and security

Brussels, 12 April 2006. Flexibility and security in the employment arena were in the spotlight during the 5th Craft, Trade and SME Summit that took place in Graz, Austria, on 7-8 April. For the first time, a representative from the European Trade Unions joined UEAPME and its members to discuss on “How to combine flexibility and security”.

“Our experience and our past projects tell us that there is a need for tailor-made negotiations on employment with SMEs”, said **Gerhard Huemer**, UEAPME Director of Fiscal and Economic Policy, at the Summit. “All too often, we are faced with agreements which are excessively restrictive for SMEs, and we suspect this may be related with a lack of real ‘SME knowledge’ in the trade unions’ ranks.”

Small businesses rely on flexibility to a larger extent if compared to larger businesses. Trade unions have traditionally focused on employment in large businesses, without fully understanding the issues and needs faced by SMEs in this field. Due to their size and economic position, SMEs cannot provide security exclusively at company level; social dialogue and tripartite coordination are the only workable way to get a good blend of flexibility and security for small businesses.

“We have to tackle issues such as structural unemployment and the adequateness of industrial-era work contracts in a modern service-driven economy”, continued Mr Huemer. “We see flexicurity as the tool which will allow us to make a shift from the concept of ‘job security’ to the concept of ‘employment security’.”

Four main areas for co-operation at EU level were identified and agreed upon:

- Economic restructuring,
- Fight against undeclared work,
- Solutions for the low wage sectors, and
- Improvements in training for employees in the SME sector.

Participants agreed that involving all stakeholders in the debate on these issues is the way forward. Reiner Hoffmann, Deputy General Secretary of the European Trade Union Confederation (ETUC), told participants that a good set of reforms towards flexicurity could trigger a win-win situation for both employers and employees, moving the debate away from “flexibility-only” approaches and creating consensus between political opposites. Furthermore, reforms of this kind have already led to “success stories” in countries such as the Netherlands, Denmark and Austria.

“The debate held at the Summit was the start of a very useful exercise. We hope to continue our collaboration with the trade unions in our search for the perfect mix of flexibility and security”, concluded Mr Huemer.

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EDITORS' NOTE: UEAPME is the employer's organisation representing crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 78 member organisations, which represent crafts and SMEs across Europe, covering over 11 million enterprises with 50 million employees. UEAPME is a European Social Partner. The Craft, Trade and SME Summit is an annual event featuring high-ranking representatives from UEAPME and its member organisations, together with a number of external keynote speakers from the EU institutions and EU member states.

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