



## **HISTORY OF THE US-EU WORKING GROUP ON EMPLOYMENT AND LABOR-RELATED ISSUES** **1996 – 2007**

*Since 1996, the US and the EU have developed an important process of dialogue and cooperation on a wide variety of employment and labor-related issues. The aim of this process was to exchange best practices on the major challenges which the US and the EU face. A non exhaustive list comprises: how to increase employment participation, how to increase flexibility while maintaining security, how to confront the delocalization of services, how to improve working conditions, how to mobilize the local level to generate employment, how to promote labor mobility. Conferences, symposiums, roundtable discussions, and working group meetings have given participants the opportunity to learn from the experiences of their colleagues on both sides of the Atlantic and to work together to develop innovative policy solutions. The various dialogues highlighted existing contrasts and differences but also common trends. As the cooperation moves forward and expands its collaborative efforts, this strong US-EU partnership will continue to pave the way for informed, global-minded policy-making.*

### **INTRODUCTION**

On December 3, 1995, the President of the United States, the Spanish Prime Minister in his capacity as European Council President, and the European Commission President signed the New Trans-Atlantic Agenda (NTA), which called for broader and deeper cooperation between the United States and the European Union in four key areas: promoting peace and stability, democracy and development around the world; responding to global challenges; contributing to the expansion of world trade and closer economic relations; and building bridges across the Atlantic.

In the context of the NTA, the European Commissioner for Employment and Social Affairs and the US Secretary of Labor signed a Memorandum of Understanding (MOU) in Washington, DC, on May 2, 1996 to establish cooperation in providing a climate for job growth. The MOU created a Working Group on Employment and Labor-Related Issues, which met for the first time on the same day as the MOU signing. The MOU states that the Working Group will address issues such as investments in human capital, active labor market policies, smoothing transitions and improving employability security and incomes, labor management cooperation, and developments in the wider international context.

Working Group meetings have generally been held at least once a year since the MOU was signed in 1996. Additionally, the Working Group has sponsored a number of meetings, workshops and conferences that draw from governments, trade unions, employer organizations and businesses, academia, NGOs and other interested private sector institutions. These events provide a forum for exchanging ideas and information regarding employment policy for policy-makers on both sides of the Atlantic.

## OVERVIEW

The policy exchanges between the Department of Labor and the Directorate-General for Employment, Social Affairs and Equal Opportunities can be divided in three groups. The first concerns the **performance of labor markets** (employment policy; job creation and trends, and labor mobility) and the inclusion of persons with disabilities into the labor market. The second relates to the “**external” aspects of labor**: the trade aspects of labor policies and the topic of immigration. The third group comprises **health and safety**, which evolved in a rather autonomous fashion.

Concerning the first group, the topics discussed revolve around the different performances of EU and US labor markets with a view to identifying potential reasons for such differences – whether institutional, structural or policy driven. At that time the debate in Europe was driven by the new European Employment Strategy (Luxembourg, December 1997). The seminars touched upon topics such as the debate on flexibility and security, entrepreneurship, and mobility and social exclusion.

The second topic concerns the influence of the external aspects on labor markets. This can be seen in the seminars on labor standards and immigration. The seminars on labor standards were an example of the globalization of trade, i.e., that practices of companies abroad can have an impact on consumers. The EU and the US, as the two biggest trading blocs, discussed how to minimize violations of human rights through universally accepted labor standards. Several US and European companies and NGOs discussed the effectiveness of Labour codes in improving global working conditions.

The third topic is health and safety at work. The need was felt to promote sharing of information on current safety and health topics of common interest, discuss best practices and compare approaches. These meetings have provided valuable opportunities for exchanges of ideas and good practices in the area of occupational safety and health. They have enabled those involved in forming and implementing workplace policies in both the US and the EU to better focus their efforts on behalf of working men and women on both continents.

# 1) PERFORMANCE OF LABOR MARKETS

## *Employment policy*

### *May 1997* – **Symposium on Employment Policy and the Promotion of Employability Security (Washington)**

This symposium marked the first joint US-EU event following the formation of the US-EU Working Group on Employment and Labor-Related Issues. Seminar participants from government, labor and business gathered to discuss the challenges the EU and US face in providing a smooth transition from school to work, job to job, and from unemployment to work. In the first session of the symposium, participants discussed the need to achieve a “flexible enterprise,” balancing the demands of workplace flexibility and security. The symposium’s second session focused on the role of enterprises in training. Participants agreed that special consideration should be given to skills training which is more readily transferable and widely demanded across employers. The topic of the third session was “Helping Low-Wage Workers.” US delegates cited declining real wages as the biggest disincentive to work for low-skilled workers in the United States, while EU delegates pointed to the need for more jobs in Europe. Participants from both sides agreed that the focus should be on policies such as child care and wage subsidies that provide incentives to work. In the symposium’s fourth session, delegates discussed “Employment Incentives and the Social Safety net,” focusing on the importance of unemployment benefits combined with effective re-employment services, education and training programs, along with portable pensions and health benefits, in promoting labor market adjustment. A final session covered “Promoting Reintegration in a Changing Labor Market” with particular emphasis on the value of lifelong education and training.

### *June 1998* – **Workshop on Work Organization (Brussels)**

Following the success of the Symposium on Employment Policy and the Promotion of Employability Security in 1997, the Working Group organized a second annual employment policy conference in 1998 to discuss work organization. EU and US representatives opened the workshop by presenting work organization developments in their respective regions. A series of discussion sessions followed, carrying over the topic of flexibility from the 1997 employment policy symposium. This discussion focused on flexibility within the firm, including developing benchmarks, core worker groups, reintegrating disenfranchised populations, and social partnerships. In the second session, participants discussed striking the right balance between flexibility for firms and security for workers. A third discussion session covered the role of governments and organizations in balancing flexibility and security, and the final session focused on developing sustainable partnerships.

### *October 1998* – **Conference on Harnessing the Information Society to Raise Employment Levels for People with Disabilities (Madrid)**

One-hundred and fifty experts from the EU and US gathered in Madrid for this two-day conference to analyze employment innovations for people with disabilities. Primary discussion topics included enhancing training for people with disabilities, accommodation of job sites, and closing the gap between supply and demand for disabled workers. Participants attended two workshops where EU and US case studies were presented to highlight these

issues. Finally, four projects were presented and assessed, each intended to close the gap between supply and demand for workers with disabilities

*July 2003* – **Employment and Training Seminar: Meeting the Needs of Businesses and Workers in the 21st Century (Washington)**

In this seminar two papers were discussed. The US paper, “An Overview of U.S. Employment and Training Programs and Their Effectiveness,” presented the state of play of employment and training programs and their relation to labor market demands. The EU paper, “Towards a Skilled and Adaptable Workforce: Challenges and Political Responses at the EU Level,” concentrated on the need to improve the transferable skills of the workforce to improve adaptability. Finally, the seminar featured a panel discussion on engaging employers and workers in public workforce training systems.

*November 2003* – **Seminar on Access of People with Disabilities to Employment (Brussels)**

This seminar included three discussion sessions and one panel discussion to address employment access issues facing people with disabilities. The discussion sessions covered: the role of employment policies in promoting the access of people with disabilities to the labor market; Information Communication Technology (ICT) and eAccessibility; and management of disability in the workplace. A panel discussion on “Dissemination of good practice and mobilizing the actors” closed the seminar. This conference concentrated on employment from the perspective of the supply side, that is to say the employees, and presenters from the mainstream business sector gave examples of how their organizations met the needs of disabled workers. Each presentation was then followed by a nominated discussant, which included researchers, disability experts and representatives of disability NGOs. Each discussant gave a personal response to the presentation and all three sessions culminated in a plenary discussion with audience participation. The Seminar included a site visit to a nearby sheltered workshop.

*June 2005* – **Local Employment Development in the EU and the US: Promoting Successful Policies and Practices (Brussels)**

This two-day seminar gave EU and US participants the opportunity to exchange ideas and information about local employment development. The EU delegation presented an overview paper, “Local Employment Development in the EU – Successful Policies and Practices,” followed by an open discussion. The US delegation then presented its overview paper, “Building a Demand-Driven Public Workforce System,” again followed by open discussion. The EU delegation presented an additional paper highlighting best practices and policy lessons from three local employment development projects. US delegates made a presentation on US state and local economic development and workforce development partnerships. The objective of both the US and the EU in this area is to mobilize the strength of the local level to promote economic and employment development. The seminar brought out the difference in approach to this challenge, with the EU putting the emphasis on the bottom up approach and of networking between actors, while the US focus on building local partnerships of stakeholders within an overall national program.

*The papers of the conference can be accessed at:*  
[http://ec.europa.eu/employment\\_social/emplweb/events/event\\_en.cfm?id=125](http://ec.europa.eu/employment_social/emplweb/events/event_en.cfm?id=125)

*January 2006* – **Roundtable on the Connections between Education and Workforce (Washington)**

This roundtable meeting of US and EU representatives included four panel discussions to draw attention to the connections between education and workforce development. Panel topics included: “Effective Alternative Education Models for At-Risk Youths”; “Developing Post-Secondary Alternatives”; “Lifelong Learning and the Changing Role of the University”; and the “Connection between Education and Quality and Productivity at Work.”

*February 2006* – **Information Exchange on Exploring Employment and Retention Strategies People with Disabilities (Washington)**

Held in Washington, DC, this two-day information exchange began with a panel discussion featuring two US and two EU executives with significant experience in recruiting and retaining workers with disabilities. The panelists described their organizations’ experiences and discussed the current and potential role of government assistance in employing people with disabilities. Following this panel, participants attended an “Applied Retention Techniques” session, sharing their experiences and learning different strategies to retain employees with disabilities. The second session, “Employment Supports to Facilitate Employability by Means of Skills Development and Life-Long Learning,” highlighted assistive technology, access to lifelong learning and the use of human capital and skills development as a means of fostering successful employment outcomes for disabled workers. A final discussion session, held on the second day of the information exchange, covered “Entrepreneurship Strategies for People with Disabilities.” Presenters included successful entrepreneurs with disabilities who focused on the strategies they use to make their businesses competitive and profitable. Building on the 2003 event, the 2006 conference addressed disability from the demand side, that is to say the employer perspective. A site visit to Montgomery Works, a One-Stop Center in Wheaton, Maryland took place on the afternoon of the second day.

*October 2006* – **Roundtable on Gender Issues from an Employment Perspective (Washington)**

This roundtable marked the first joint US-EU event focusing specifically on gender issues and employment. The two-day event consisted of five panel discussions to address the key workforce issues limiting the full participation of women in the labor market, and explore strategies that both the public and private sector can implement to overcome such obstacles. Panel topics included: “Setting the Scene: Women’s and Men’s Experience in the Labor Market”; “Career Paths of Women Workers: Challenges to Entering and Advancing in the Labor Market”; “Increasing Female Employment in High Growth Industries”; “Work-Life Balance”; and “Employer Perspective: Best Practices in the Private Sector.”

### ***Job creation and trends***

*October 1999* – **Seminar on Entrepreneurship (Washington)**

The service sector has generated the most job growth since the 1980s in both the US and Europe. That growth, however, has been much stronger in the US. The seminar explored what elements make up an environment conducive to entrepreneurship and provided a forum for exchange of ideas on best practices and lessons learned. The seminar covered four broad

areas: overview of job creation and the service sector; case studies; issues for workshops; and policy discussions. It focused on the issues entrepreneurs face in starting a new business and the government's role in promoting entrepreneurship. Representatives from the European Commission, the U.S. Department of Labor, the U.S. Small Business Administration, labor, business, academia, training associations and entrepreneurs from the US and EU gathered to compare case studies of two US and two EU companies established in the mid-1990s. Each company specialized in computer or management services. Additionally, two workshops were held to discuss government's role in fostering and expanding entrepreneurial activity, including support services, financing, and strengthening linkages between public and private sector actors.

*June 2001* – **Working Group Meeting on Labor Market Flexibility (Washington)**

The US-EU Working Group on Employment and Labor-Related Issues met in June of 2001 to discuss the impact of employment growth and unemployment on diverging US-EU labor market performance. At this meeting, 30 representatives from the European Commission and the US Department of Labor discussed two papers that were presented on the flexible labor market issue. The first paper offered a comparison of flexibility in the US and EU labor markets, and the second paper took a broader look at the quality of jobs that are created. The second paper also analyzed job quality differentials between men and women, as women are disproportionately represented in lower quality jobs.

*June 2003* – **Workshop on the Resilience of Labor Markets in Europe versus the US (Washington)**

This workshop allowed a small group of US and EU experts to exchange views on recent labor market trends and dynamics, identifying commonalities and differences to help shape employment policy. A representative from the EU delegation presented two papers in this half-day workshop, the first entitled "Are Labor Markets' Resilience and Consumers' Confidence Related?" and the second "Employment and Productivity Growth." Following each presentation, US participants offered comments on the information presented and the workshop concluded with an open discussion. The EU delegation used this discussion to sharpen the analytical content of their annual *Employment in Europe* report.

*June 2004* – **Workshop on the Current Labor Market Situation in Europe Relative to the United States (Washington)**

This June 2004 workshop marked the second annual gathering of a small group of US and EU experts to exchange views on recent labor market trends and dynamics. Again, the goal of the EU participants was to utilize this exchange to sharpen the analytical content of their annual *Employment in Europe* report. EU experts presented three papers followed by US expert comments and an open discussion. Presentations included: "Recent trends and prospects: Comparative analysis of employment structure with a focus on the employment impact of protracted slow down and one year of an enlarged EU"; "EU and differences among Member States: What is the role of relative wages and what other determinants can be identified"; and "Globalization, focusing on outsourcing and demoralization."

*December 2004* – **Seminar on Offshoring of Services in Information and Communication Technologies (ICT) and Related Services (Brussels)**

This seminar's first session, "Recent Evidence on the Scale and Nature of Offshoring," brought together US and EU experts to discuss offshoring trends in their respective regions. Presenters at the next session discussed "State of the Art and Possible Future Trends," followed by a comparison of offshoring in the US and EU. Additionally, the first day of this two-day seminar featured discussion sessions on "The Decision to Offshore Services and Consultations with Social Partners" and "Potential Responses: Ensuring Efficiency of Companies as well as Economic and Social Sustainability of Offshoring." The second day of the seminar began with a presentation of labor market policy initiatives that have been and can be taken to respond to offshoring and other labor market challenges. Break-out sessions followed, giving participants the opportunity to discuss policy options at the government and private sector levels. A final session drew participants together to share ideas and discuss proposals from the break-out sessions.

*Papers from the event can be accessed  
at:*[http://ec.europa.eu/employment\\_social/emplweb/events/event\\_en.cfm?id=27](http://ec.europa.eu/employment_social/emplweb/events/event_en.cfm?id=27)

*June 2005* – **Workshop on Recent Trends in the Labor Market (videoconference)**

A small panel of US and EU experts met via videoconference for a third annual discussion of draft chapters of the 2005 edition of *Employment in Europe*. EU authors presented the draft chapters, after which US experts compared and contrasted the European and US employment situations. Presentation topics included: "Current Policy Framework"; "Current Labor Market Developments"; "Earnings Inequality"; "Impact of European Monetary Union on Labor Markets"; and "Labor Market Inactivity."

*July 2006* – **Workshop on Labor Market Trends (videoconference)**

EU and US experts met via videoconference for the fourth annual discussion of draft chapters of the *Employment in Europe* report (2006 edition). The three topics discussed were "Flexicurity," "Geographic Mobility," and "EU Labor Market Trends."

*July 2007* – **Teleconference on Labor Statistics**

EU and US experts met via teleconference to discuss recent labor market developments and the *Employment in Europe* report (2007 edition). The discussion started with a short presentation on recent labor market developments in both the US and the EU, and was followed by a discussion. The second topic of the dialogue was a presentation of the draft EiE 2007 chapter that addressed the declining share of labor income of GDP in Europe followed by comments on the topic from the US experts. These comments proved very useful in finalizing the chapter.

## ***Labor mobility***

### *November 2000* – **Working Group Meeting on Labor Mobility and Social Exclusion (Brussels)**

The US-EU Working Group on Employment and Labor-Related Issues met in November 2000 to discuss labor mobility and social exclusion. On the first topic, the US delegation presented a paper, “An Overview of Labor Mobility in the United States.” On the second topic, the EU delegation gave a paper on “Social Exclusion and Poverty in the European Union.” Each presentation was followed by discussion among the EU and US participants.

### *February 2002* – **Labor Markets in the 21st Century: Skills and Mobility (Brussels)**

Setting the scene for this event, EU and US keynote speakers discussed looking toward the future of employment and identifying the role of technology in the 21<sup>st</sup> century workplace. The conference consisted of two presentation and discussion sessions. The first covered “The Knowledge-Based Society and its Implications for Improving Skills.” The second session focused on “Occupational and Geographical Mobility of the Workforce in the 21<sup>st</sup> Century.”

*Proceedings of the conference may be accessed at:*

*[http://ec.europa.eu/employment\\_social/international\\_cooperation/docs/eu\\_us\\_labourmarketreport\\_en.pdf](http://ec.europa.eu/employment_social/international_cooperation/docs/eu_us_labourmarketreport_en.pdf)*

### *April 2006* – **Labor Mobility in the EU and the US: Trends and Challenges Ahead (Brussels)**

The European Commission hosted this two-day conference in Brussels to discuss trends and challenges in the area of EU and US labor mobility. Four panel discussions were held, each focusing on a different aspect of labor mobility. Panel topics included: “Job Mobility and Careers: The Need to Combine Flexibility with Job Quality”; “Geographic Mobility – Determinants, Effects and Implications”; “Investing in Skills as a Driver for Mobility”; and “The Benefits and Challenges of Mobility.” Participants included 70 experts from the US, EU Member States and other countries, trade union and employer representatives, academia and Commission officials.



## **2) EXTERNAL ASPECTS OF LABOR POLICIES**

### ***Trade related aspects of labor***

#### ***February 1998 – Symposium on Codes of Conduct and International Labor Standards (Brussels)***

This symposium brought together representatives from EU and US businesses, labor unions, and non-governmental organizations to discuss the development and implementation of codes of conduct on labor standards. Participants first discussed the need for codes of conduct to address labor standards violations in the workplace. Additional discussion surrounded the appropriate content and scope of codes of conduct. Delegates also discussed implementation issues once codes of conduct are established, including transparency and internal versus external monitoring. Small businesses rarely have the resources to conduct internal monitoring and external monitoring is often prohibitively expensive. Supplier certification regimes could serve to alleviate these costs and allow small businesses to successfully implement codes of conduct. Further discussion included how to deal with breaches of codes of conduct, and how to involve authorities in developing countries.

*The joint report can be accessed at:  
<http://www.dol.gov/ilab/media/reports/oiea/useusymp.htm>*

#### ***December 1998 – Second Symposium on Codes of Conduct and International Labor Standards (Washington)***

Following the successful Symposium on Codes of Conduct in Brussels in February 1998, delegates reconvened later that year in Washington, DC, to partake in a panel discussion about recent developments in codes of conduct. After the panel discussion, working groups met to address the “scope and standardization” and “implementation” of codes of conduct.

### ***Immigration***

#### ***October 1999 - Seminar on the Social Dimension of Economic Integration (Washington)***

This seminar took place six weeks prior to the 1999 World Trade Organization Ministerial Meeting in Seattle, where addressing labor standards in the WTO was expected to be a controversial topic. With the ministerial meeting in mind, US and EU representatives from the labor, business, and government sectors came together to discuss the social dimension of economic integration. The seminar’s first session offered a comparison between the social dimension of economic integration in the European Union and the Americas. The second session focused on the extent to which social concerns and labor standards can be promoted in the context of globalization, and the role of international organizations in addressing these issues.

*June 2004 -*            **Seminar on Integrating Immigrants into the Workforce  
(Washington)**

Over the course of two days, seminar participants discussed several issues pertaining to labor market-related migration. Among others, participants included officials from DG EMPL, the US Department of Labor, other US agencies, the OECD, and the Canadian Government. One discussion session focused on understanding the nuances of potentially misleading migration data, especially given EU member state data collection idiosyncrasies. A second discussion looked at the employment of immigrants, including common knowledge gaps and differing experiences in the EU and US. The third session covered elements of successful immigrant integration, including immigrants' education and training experience, language skills, legal status, and country of origin. Government factors such as immigration and citizenship policies and the national political, economic, and social climate also affect immigrant integration. Finally, participants discussed the challenge of designing and implementing effective immigration and integration policy. Several participants called for greater "horizontal" coordination on these policy matters.

### 3) OCCUPATIONAL HEALTH AND SAFETY

*All the conferences documents can be accessed at: <http://www.useuosh.org/>*

*October 1998* – **First US-EU Joint Conference on Occupational Safety and Health (Luxembourg)**

This first EU-US joint conference was a useful tool for initiating a dialogue on occupational health and safety, both between trade unions, employers and governments. Topics included rulemaking; enforcement and innovative compliance techniques; information sharing; and risk management practices.

*November 2000* – **Second US-EU Joint Conference Occupational Safety and Health (San Francisco)**

Following the success of the initial Conference on Occupational Safety and Health, the US Department of Labor's Occupational Health and Safety Administration hosted a second conference in San Francisco in November, 2000. The 90 US and EU delegates at this conference discussed a variety of issues, including: safety and health management systems; small and medium sized enterprises; ergonomics; and workers' rights. The Second Joint Conference also marked the debut of the first joint EU-US website.

*October 2003* – **Third US-EU Joint Conference on Occupational Safety and Health (Lemnos)**

One-hundred and forty delegates participated in the Third US-EU Joint Conference on Occupational Safety and Health in Lemnos, Greece. Conference discussions included: chemicals in the workplace; stress and its relationships to organizational changes and improvement of the work environment; quantitative and qualitative indicators – monitoring and evaluation; and co-operative programs and partnerships. Additionally, the US and EU jointly launched the Ireland Voluntary Protection Program (VPP) Pilot Project, an effort to develop an EU model of the US Occupational Safety and Health Administration's health and safety recognition program. The VPP Pilot Project was initially implemented in eight companies in Ireland and Northern Ireland.

*September 2005* – **Fourth US-EU Joint Conference on Occupational Safety and Health (Orlando)**

The fourth US-EU Joint Conference on Occupational Safety and Health was held in September, 2005, in Orlando, Florida. The Lemnos discussion topic of chemicals in the workplace carried over to the Orlando conference with a discussion focused on global management of chemicals. Additional discussion topics included: advancing good practices in health and safety at the corporate level; immigrant workers' safety and health; and contractor safety. This conference also gave participants an opportunity to discuss the ongoing issues and successes of the Ireland VPP Pilot Project.

*November 2007* – **Fifth US-EU Joint Conference on Occupational Safety and Health (Cascais)**

The most recent EU-US Joint Conference on Occupational Safety and Health was held in Cascais, Portugal, from 7 to 9 November 2007. Organized by the European Commission, the Portuguese Presidency of the Council of the European Union and the Occupational Safety and Health Administration (OSHA) of the US department of Labor, the Conference focused on four topics i) Emergency Preparedness and Worker Safety and Health, ii) Health and Safety Education and Training iii) New and Emerging Occupational Safety and Health Issues, and iv) Strategic Approaches to OSH.