

FOR IMMEDIATE RELEASE

STATEMENT OF JOEL BILLER – PRESIDENT OF CIETT

Berlin, May 17th 2006

Let me say a few words about globalization and how it is related to what CIETT and its members are doing this week in Berlin.

Globalization has brought many benefits, but it has also brought problems. One of the most critical of the problems is that in the developed economies of the OECD countries the historic link between corporate profits and worker income no longer exists. Workers are no longer benefiting from the success of firms. In Germany, for example, corporate profits in recent years have been booming while the economy has been relatively stagnant, and worker incomes in real terms have fallen.

The reason is that firms are increasingly focusing their activities outside of their home countries, and that is because of the difference in the cost of labor at home and elsewhere in the world.

How do we get workers to share in the economic success of companies? One way would be through government action like higher corporate taxes, limitations on foreign investment or, in the labor field, increased job protection. The problem is that none of these measures would solve the problem. Firms would just increase their foreign operations and eventually move their headquarters abroad.

But there is an alternative that would work. And that is to make labor markets at home more efficient, so that firms are able to take economic advantage of the opportunities that the skilled and educated labor force that countries like Germany afford.

That is what CIETT and the staffing industry are doing and what they are prepared to do more of in the future. We are the most efficient actors in the labor market.

For workers, we find jobs. We offer training so that they are qualified for better jobs in the future. We serve as a bridge from temporary to permanent work.

For firms, we provide an effective means of matching labor input to production needs, so that labor is used efficiently and unit labor costs are reduced.

For national economies, we improve labor market fluidity by matching supply and demand. We offer a way to restore the link between company profits on the one hand and GDP growth and worker real income on the other.

To do this the staffing industry needs a regulatory environment that is positive and supportive. We are pledged to meeting our obligations as socially responsible employers, whether they are expressed in legislation or self-regulation. But we are not willing to accept ill-conceived and unjustified restrictions on our activities that prevent us from fulfilling the full potential of what we can offer workers, firms, and national economies.

Our national associations are working to promote a positive environment for our activities at the national level. And CIETT and its regional affiliates are working at the regional and international level. The task is not always easy, but we are confident of ultimate success because we are convinced that what we have to offer is of benefit to workers, to employers and to overall economic growth.

Note to the editors

Founded in Paris in 1967, Ciett is the International Confederation of Private Employment Agencies. Ciett is the authoritative voice representing the interests of agency work businesses across the world.

It is recognised as such by international organisations (eg. European Union, International Labour Organisation, OECD) as well as national governments.

Ciett brings together 38 national federations of private employment agencies and 6 of the largest staffing companies worldwide (Adecco, Kelly Services, Manpower, Randstad, USG People, Vedior). Ciett members consist of private companies operating in the following HR fields: temporary work, permanent recruitment, executive search, interim management, outplacement and training.

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