Common principles on flexicurity

2007/2209(INI) - 12/11/2007

The Committee on Employment and Social Affairs adopted the initiative report drafted by Ole **CHRISTENSEN** (PES, DK) which proposes a set of common principles of flexicurity.

The report strongly endorses the conclusion that flexibility can be in the interests of the employee as well as the employer, and that this can be achieved through promoting adaptable and reliable contractual arrangements, including permanent contracts. It also emphasises that flexicurity can be an effective policy strategy for the reform of the labour market and as such must be comprehensive by including all the existing facets of employment and social policy at both national and EU levels.

The committee believes that the biggest problems in the EU concern the supply of a skilled and adaptable workforce in competitive and innovative companies. It stresses that the priority should be given to the creation of a flexible labour market by raising educational levels and expanding apprenticeship opportunities, training and retraining programmes; by implementing effective policies against discrimination and by breaking down barriers to the integration into the labour force of women, migrants, older or younger workers and other discriminated disadvantaged groups; by removing obstacles to occupational and geographic mobility; and by active labour market policies that support the transition from an old job to a new job emphasises the decisive role of skilled and adaptable employees and new technologies in education and training and recalls the new forms of flexibility offered by the social partners' agreement on teleworking, part-time and fixed-term work.

The report notes that flexicurity should support and implement gender equality by promoting equal access to quality employment for women and men and by providing possibilities for reconciling work and family lives, particularly in view of the fact that three-quarters of new jobs created in the EU since 2000 are occupied by women, often already under flexible and less secure employment contracts.

It proposes, therefore, that the European Council in December 2007 adopt a more balanced set of common principles of flexicurity, based on the creation of quality employment and the strengthening of the values of the European Social Model and considers that those principles should include:

- action for adaptable and reliable contractual arrangements and action against abusive labour practices especially in certain non-standard contracts;
- breaking down labour market segmentation by promoting employment security and improving job security; all workers shall have a core of rights regardless of their employment status;
- reconciliation of employment and family or private life, and the promotion of the concept of "decent work";
- partnership between government (at local, regional and national level), social partners and civil society in managing change;
- gender equality and promoting equal opportunities for all;
- design and implementation of national pathways in close consultation with social partners, in accordance with national customs and practices;
- enhancement of companies' and workers' adaptability by strengthening transition security;
- the need for a skilled and adaptable labour force, therefore combining active labour market policies with investment in lifelong learning to enhance employability;
- a macro-economic framework for balanced and sustainable growth and more and better jobs.

After the adoption by the European Council the common principles should become part of the "Integrated Guidelines for Growth and Jobs" and shall thus become part of the Member States' national reform programmes.

The Commission and the Member States should pay particular attention to the **legal situation of the self-employed, small businesses and SMEs**, which is characterised by a high level of economic dependence on their customers, and to consider together the most appropriate legislative means to raise their level of social protection. The report calls a renewed fight against **undeclared work and the black economy**.

MEPs regret that the Council has **failed to progress key employment dossiers** which could help promote flexicurity as a positive concept.

Furthermore, the committee underlines the need to include educational and training measures in a wider flexicurity agenda and stresses that lifelong learning should address opportunity gaps among workers and must start at the initial education system. It stresses the need to introduce policies that prevent worker exploitation through the accumulation of **non-standard contracts** that do not contain the same rights as full-time employment contracts and calls for every Community employment policy to continue to keep the traditional model of the **open-ended employment contract**, which forms the basis of the social security systems in Member States.

Member States are called upon to introduce measures, in order to promote equal access to quality employment for women and men that comply with the European Pact for Gender Equality and to close the existing gender pay. They are also asked to reduce their policies of putting workers into early retirement and to introduce arrangements supporting the flexible retirement of older workers through part-time part-time employment, job-sharing and similar schemes that promote active ageing and may increase the integration of older workers into the labour market.

Lastly, the report calls for a **revision of the Employment Guidelines** to allow aspects of flexicurity to be taken into account and also for the inclusion of a specific chapter regarding the quality and strength of social dialogue in the annual Joint Employment Report. It notes that the measures that fall within the Employment Guidelines, including flexicurity, are eligible for the European Social Fund (ESF) support, in particular training and active labour market measures, and calls on Member States to ensure that ESF programmes contribute to the implementation of the European Employment Strategy and to flexicurity strategies.