Undeclared work

1998/2082(COS) - 21/09/2000 - Text adopted by Parliament, single reading

In adopting the report drafted by Anne-Karin GLASE (EPP-ED, D), the Parliament called on the Member States to take both preventive and curative action against undeclared work through clear rules, changes in the burden of taxation and adequate check and penalties. Given the close links between the level of undeclared work, the level of tax and social security contributions and the degree of social protection, Member States are called upon to reduce tax and contribution levels and bring greater flexibility to the labour market. Member States are invited to make an inventory of the main sectors and population categories affected. The most effective types of measure should be combined on an action programme which would form a key part of the employment strategy. Governments, furthermore, should ensure that contracts for public projects are not awarded to firms whose bid is clearly based on undeclared work. Parliament calls on the Commission to devise methods for describing and registering the various forms of undeclared work and to assess their impact as well as to make more information available to decision-makers. European legislation needs to be taken into account in European legislation. Parliament also calls for the launching of a debate on the future form of social security systems with a view to curbing undeclared work, in the light of the changes caused by the development of communications technology and the flexibilisation of employment, as well as for suitable means and methods to be studied and developed in order to prevent non§declared work from infiltrating new ways of working (Internet, home-working, part-time working, etc.). Lastly, the EP calls on the Member States to introduce the right for the social partners to bring a collective legal action as a means of putting a check on undeclared work.