## European Communities

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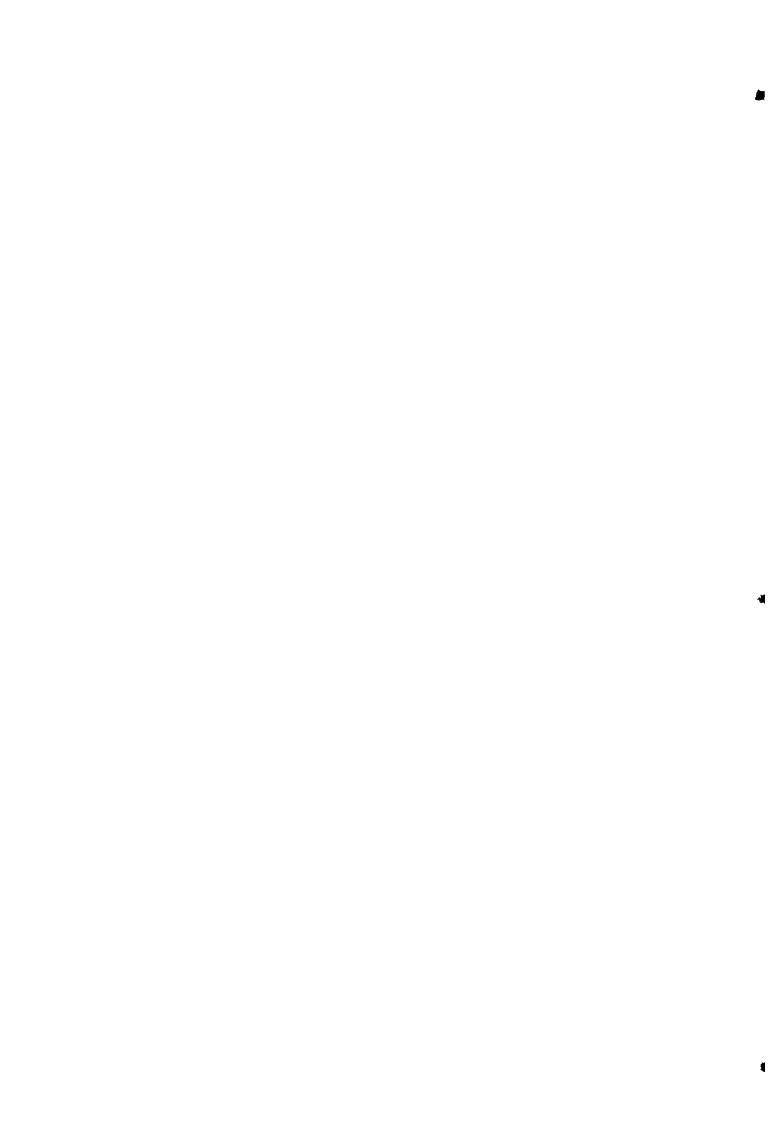
**DOCUMENT 2-1753/84** 

## Report

drawn up on behalf of the Committee on Social Affairs and Employment

on the new Commission's priorities in the field of social affairs and employment

Rapporteur: Mr F.A. TUCKMAN



By letter of 21 September 1984, the Committee on Social Affairs and Employment requested authorization to draw up a report on the new Commission's priorities in the field of social affairs and employment.

By letter of 14 January 1985, the committee was authorized to draw up a report on this subject.

On 20 September 1984, the committee appointed Mr TUCKMAN rapporteur.

At its meetings of 15/16 October 1984, 29/30 October 1984, 21/22 November 1984 and 17/18 December 1984, the committee considered the draft report. The motion for a resolution as a whole was unanimously adopted on 18 December 1984 subject to a favourable decision by the Bureau and tabled in its final form at the meeting of 21 February 1985 with the agreement of all the committee members present.

The following took part in the vote: Mr Welsh, chairman; Mrs Salisch, first vice-chairman; Mr Alavanos, third vice-chairman; Mr Tuckman, rapporteur; Mrs d'Ancona, Mr Bachy, Mrs Chouraqui, Mr Christiansen, Mr Estgen (deputizing for Mr Chanterie), Mr Harlin, Mrs Larive-Groenendaal, Mrs Maij-Weggen, Mrs Marinaro (deputizing for Mrs Hoffmann), Mr Peters, Mr Sakellariou (deputizing for Mr Dido), Mrs Squarcialupi (deputizing for Mr Raggio), Mr Stewart, Sir Jack Stewart-Clark and Mr Vgenopoulos.

The report was tabled on 22 February 1985.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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The Committee on Social Affairs and Employment hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

#### MOTION FOR A RESOLUTION

on the new Commission's priorities in the field of social affairs and employment

#### The European Parliament,

- having regard to the plan for European economic recovery 1,
- having regard to the statement on social trends, annexed to the Seventeenth general report on the activity of the European Communities, 1983,
- having regard to the report by the Committee on Social Affairs and Employment (Doc. 2-1753/84),
- A. considering that the social and economic crisis and the third industrial revolution have rendered more than 13 million people unemployed (this figure covers only those officially registered) and put their families in material and social need through no fault of their own, and that certain social groups, such as young people, women, the disabled, the elderly and migrant workers, are particularly at risk or affected by unemployment, and are thereby increasingly isolated in society,
- B. considering that a solution to the crisis is once again being sought at the expense of working people through the introduction of new technologies, regardless of whether they are compatible with society, through rationalization and automation which render human labour superfluous, through the steady reduction of social insurance benefits and lowering of labour protection standards, and through the constant demand of employers for adaptability and flexibility, so that the working and living conditions of most employees are deteriorating,
- C. emphasizing the need to tackle the social and societal consequences of the third industrial revolution in a humane and fair manner,
- D. believing that its Committee on Social Affairs and Employment, Committee on Economic and Monetary Affairs and Industrial Policy, Committee on Youth, Culture, Education, Information and Sport, and Committee on Women's Rights should devote more attention to the effects of the crisis and the restructuring of the economy,
- E. considering that the future work of its Committee on Social Affairs and Employment should cover the working conditions, legal status, and promotion of employees, and ways of enabling them to become involved more directly in the economic activity and running of enterprises in order to improve their productivity,

<sup>&</sup>lt;sup>1</sup> European Parliament Resolution of 27 March 1984, OJ No. C 117/84

 Calls on the Commission to create an integrated and consistent social and employment policy - in close cooperation with the organizations and institutions concerned - and to develop common structures and set priorities geared to the interests of employees and their families;

#### A. Employment issues

#### - Fighting unemployment

 Considers that the policy to promote employment and combat unemployment in the Community constitutes an essential priority which the Commission must expressly take into account in view of the discouraging prospects for reducing unemployment over the next four years;

#### - Reorganising work

- 3. Considers that with the advance of technology and robotics, with the rise of new industries, the fading of older ones and the recognition of the role of small and medium-sized enterprises in the creation of employment, employers and employees must develop a new kind of flexibility in production, the organization of work and vocational skills;
- 4. Calls on the Commission to support the process under way in different Member States concerning the reduction of working hours in various productive sectors as a means of helping to improve the distribution of available work, without ignoring the fundamental need for a decisive commitment to boosting economic and productive development at European level;
- 5. Believes that, particularly in regions with special structural difficulties, greater attention must be given in addition to developing new undertakings, a just redistribution of work, appropriate ongoing training and retraining, and new forms of employment developed by workers themselves, such as cooperatives and local employment initiatives;
- 6. Believes that such developments will lead to a reorganization of work and working hours, different forms of employment and different salary structures. Requests the Commission, by means of studies and recommendations, to give a lead in bringing about this process of change on the labour market;
- 7. Calls on the Commission to undertake in 1985 a more detailed study of the labour market, identifying more clearly its rigidities as well as the increasing job precariousness of a rising number of workers, with a view to the full employment of labour;

#### - Increasing employee participation

8. Considers it essential as a consequence of the evolving internal EEC market that workers should be involved, through representatives elected directly and by secret ballot, in decisions taken by their respective

- firms, that they should be granted the right to information and to a hearing, particularly in the case of transnational undertakings<sup>1</sup>, and that they should participate in increases in production-related capital on the basis of individually disposable shares<sup>2</sup>;
- 9. Recalls the position expressed by the European Parliament on the directive concerning information for workers in multinational and transnational undertakings, stressing that information should form the fundamental basis for real democracy in the economic sector. To this end, urges the Council to take the appropriate decisions;
  - Improving vocational guidance and training
- 10. Requests the Commission to continue its endeavours with regard to vocational guidance and training. Proper vocational training should form part of an integrated European policy which should at least:
  - include measures for estimating demand and supply in the European labour market, not only to create realistic career opportunities but also to stimulate the mobility of workers within the Community,
  - be geared to technological innovation by coordinating school education and practical training effectively (for instance, on the lines of alternative training),
  - allocate more space to in-company training, because the traditional education system can no longer provide for training which maintains its value for an entire lifetime,
  - create opportunities for vocational training for all citizens irrespective of age;
- 11. Requests that a European programme for youth employment be drawn up to tackle in a new way the problem of vocational training and the relation—ship between school and the world of work, paying particular attention to the measures implemented in other European Community countries<sup>3</sup>; calls for an information and vocational guidance service to be set up as part of the activities of the Commission and CEDEFOP; believes that Social Fund appropriations must be increased to enable programmes to be financed to a greater extent from the Fund;
- 12. Recognizes that good management can mean the difference between the success or failure of a business and can make a substantial impact on the problems of unemployment, and therefore believes that the Community should encourage management training and development to include the addition of new skills by the appropriate means;

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European Parliament Resolutions of 12 October 1984 and 14 December 1984; OJ Nos. C 292/82 and C 13/83

European Parliament Resolution of 12 October 1983, OJ No. C 307, 14.11.83, p. 68

See European Parliament Resolution of 12 December 1984

- Enhancing working and Living conditions
- 13. Calls for measures to enhance living and working conditions: the 'new poverty' caused by the economic crisis in Europe, which is only a symptom of general decline in living and working conditions, the undermining of important work protection provisions, and the new risks and burdens caused by technological change which pose a threat to the physical and mental health of employees, make initiatives in this field one of the most important tasks; believes that new European regulations are required to deal with the effects of rationalization and automatization processes, the multiple burdens of stress, noise, shift-work, one-sided physical and mental strains, and the cumulative effect of pollutants;
- 14. Calls on the Commission when presenting research programmes in future to submit at the same time accompanying assessment programmes to investigate the potential repercussions of such technologies on the situation and structure of employment and vocational training, and urges that the social partners should be included in this process;
- 15. Calls for effective and appropriate measures to be defined at Community level in collaboration with the Member States, with the aim of reducing and eliminating the presence of illegal and clandestine manpower, and penalising fraudulent employers and persons trafficking in manpower<sup>1</sup>;
- 16. Encourages the Commission to implement recommendations, within the general framework of measures on employment, such as the recommendations on long-term unemployment<sup>2</sup>, which, by providing the appropriate information (comparative data on legislation in the Member States, statistics and the results of different experiments), will facilitate public thinking and debate at Community level, contribute to the social dialogue in the Community and help a consensus to emerge on the most appropriate solutions for employment;
  - B. Other social issues
  - Harmonizing social security
- 17. Notes that all Member States have developed a range of social security policies which should be safeguarded and harmonized at European level in order to allow a uniform analysis of the situation and to arrive at the solutions needed in a post-industrial society. In this respect, notes that rising unemployment, demographic changes and large structural shifts are making the financing of these schemes a pressing problem;

See proposal for a directive on the approximation of the laws of the Member States to combat illegal migration and employment (COM(76) 331 final), OJ No. C 277, 23.11.76, p. 2

European Parliament Resolution of 24 October 1984, OJ No. C 315, 24.11.84

#### 18. Expects the Commission

- to redefine and subsequently interpret currently inadequate and disputed demographic information and forecasts,
- to research and plan programmes for the harmonization of social security schemes of Member States, while safeguarding the established rights of the participants of the schemes;
- Safeguarding disadvantaged groups
- 19. Considers it essential that Member States should combat all forms of prejudice against migrant workers and the unemployed, without overlooking the rights of women, the handicapped, the elderly, homosexuals and all disadvantaged groups; considers that many directives and recommendations have failed to tackle this problem adequately;
- 20. Believes that the Commission has not paid sufficient attention to some of the major concerns affecting the Community, namely the vital role of the family in our society, the decline of the birth rate in the Community, the situation of the elderly and the homeless, the growth of poverty and the rise in drug addiction;
- 21. Draws the Commission's attention in particular to the position of the elderly, which is frequently one of loneliness, poverty and mental distress; considers that thought should be given at Community level to improving the material condition of the elderly and better integrated pensioners in society<sup>1</sup>, and that it is desirable for the Commission to make a recommendation in this field;

#### C. Summary conclusions

- 22. Calls on the Commission to consider the following problems as priorities:
  - unemployment, with particular reference to youth unemployment, unemployment amongst women and long-term unemployment,
  - the social impact of new technologies,
  - reasonable access to the professions and social protection for the weakest groups,
  - the adoption of measures to tackle the growing phenomenon of xenophobia in order to reaffirm the basic rights of migrant workers,
  - the development of all possible measures to encourage the full implementation of the directive on information and consultation of workers in multinational and transnational undertakings;

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European Parliament Resolution, OJ No. C 184, 11.7.1983, p. 116

- 23. Considers that it should tackle the following main points:
  - the promotion of measures for an active and forward-looking employment policy through:
  - a reduction in working hours and a more flexible organization of working time,
  - the promotion of the development of new environmentally and socially acceptable products and services,
  - the promotion of disadvantaged groups on the labour market,
  - the promotion of disadvantaged regions,
  - the promotion of cooperatives and small and medium-sized undertakings,
  - the promotion of a humane research and technology policy which will create jobs,
  - support for new forms of labour organization and the redistribution of work;
- 24. Expects the Commission to take into account the views of the European Parliament and to develop more incisive and strategic thinking, and to prepare relevant proposals and demand their implementation;
- 25. Instructs its President to forward this resolution to the Commission and the Council of the European Communities as Parliament's opinion.

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#### **EXPLANATORY STATEMENT**

- 1. The Committee on Social Affairs and Employment of the European Parliament wishes to give a clear indication of priorities to the new Commission, inaugurated on 6 January 1985.
- 2. As the full range of European political views are represented within the committee, it proved difficult to crystallise such priorities for two reasons:
  - (a) the major ideological trends retained their place in the resolution;
  - (b) nearly every one of the major twenty subjects retained a place in the document;

nevertheless, the overwhelming fact of unemployment and possible ways of combating and alleviating it rank paramount.

- 3. Traditionally, the Committee on Social Affairs and Employment is concerned with three major fields:
  - (a) policies and actions in the fields of employment, vocational guidance and training, which equip workers - particularly young people - to find and retain jobs, and to adjust to changing markets. Support is given to the creation of new fields of employment and to enabling people to adjust to new situations during a lifetime, which can no longer be expected to be dedicated to just one job;
  - (b) workers' rights, including social security, the length of working life, years, months, weeks and their distribution over given spaces of time, issues of participation, information, and the general structure of work including temporary and part-time jobs, the right to paid and unpaid absences and to reinstatment (family leave, etc.);
  - (c) measures to overcome prejudice and disadvantage facing such groups as women, the handicapped, the elderly, migrants and ethnic minorities.
- 4. This wide subject matter, seen against the background of rapidly changing technology, market and population structure, naturally made it difficult to crystallise out clearly agreed priorities.
- 5. The committee struggled hard to bring the different political persuasions, as well as widely varying cultural and national backgrounds, into a coherent whole.
- 6. Ours has been called the age of uncertainty. At the moment, we have mass unemployment but it is unclear whether it will be cured in the same way as the unemployment of the 1930s was turned into the overfull employment of the 1960s, when all over north and west Europe workers were sucked in from the less developed countries. Or is our future truly predicted by those American forecasts, which maintain that rapidly advancing technology will only maintain a few manufacturing jobs and will largely displace the office

- worker? Will we find or be able to create a balance in which most people have a job, or will we create substantial wealth at the expense of millions who either have no job at all, or suffer long periods of unemployment?
- 7. Is is unlikely that the business cycle has been, or can be, brought to a halt, so that fluctuations in unemployment will be superimposed on the long-term trends.
- 8. Two main facts should be borne in mind:
  - (a) current unemployment is substantially less severe than was the case in the Europe of the 1930s, when nations like France, Germany and Britain saw six to eight million people out of work in each country;
  - (b) the general standard of living in the Western world is vastly higher today than it has ever been before, and that applies both to the quality of life and to its length in good health.
- 9. Up to now, the large number of unemployed has not basically shaken Europe's social peace; how long can this continue?
- 10. If many people particularly young ones have to be unemployed for long periods, or possibly a lifetime, we may be able to give them an adequate income; but how can we give them dignity and that necessary sense of achievement? And how can we expect high performance from those who have jobs, if others can lead a life of lazy luxury? Conversely, how will we cope with the envy which attaches to the privileged 'owners' of jobs, from those who are unemployed and probably poorly esteemed?

#### THE PACE AND RHYTHM OF WORK

11. In various parts of the resolution, the committee is concerned with Europe's ability to compete, and with ensuring that our working population can operate effectively, productively, but without undue stress. It appears that the old Hawthorne-Western Electric experiments of 1932 may have something to offer. They established that small groups establish an attitude, a pace and a rhythm of work which depends largely on their motivation and on the degree of interest shown in their endeavour. There are some indications that this is translatable on to the much larger national and international scenes. Within the Community, Britain's 'pace' seems slow and unsure compared with the continent. Europe in turn seems to lag behind the Far East in its commitment and steadiness at work; the Americans seem far ahead on risk-taking, quick adjustments and a buccaneering approach to new ventures and tasks. It is known that hardly anybody works to his maximum capacity and this cannot be expected; it has equally become evident that working fast need be no more strenuous than working slowly, provided that the people around you are going at the same pace. This subject merits investigation. Possibly, the Dublin Institute for Living and Working Conditions could be asked - together with other bodies and individuals - to see whether useful improvements can be engineered in our European performance.

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