European Communities

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DOCUMENT 1-909/83

Report

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

on the proposal from the Commission of the European Communities to the Council (Doc. 1-846/83 - COM (83) 543 final) for a recommendation on the reduction and reorganization of working time

Rapporteur: Mr J. van MINNEN

PE 82.842/fin.

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By letter of 7 October 1983, the President of the Council of the European Communities requested the European Parliament to deliver an opinion on the draft Council recommendation on the reduction and reorganization of working time.

On 12 October 1983 the President of the European Parliament referred this proposal to the Committee on Social Affairs and Employment as the committee responsible and to the Committee on Economic and Monetary Affairs and the Committee of Inquiry into the Situation of Women in Europe for their opinions.

At its meeting of 30 September 1983 the Committee on Social Affairs and Employment appointed Mr van MINNEN rapporteur.

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The committee considered the Commission's proposal at its meeting of 17/18 October 1983.

At this meeting the committee decided unanimously to recommend to Parliament that it approve the Commission's proposal without amendment.

The following took part in the vote: Mr Papaefstratiou, chairman; Mr Pattison, vice-chairman; Mr Frischmann, vice-chairman; Mr van Minnen, rapporteur; Mr Alexiadis (substitute - Non-attached), Mr Boyes, Mrs Cassanmagnago Cerretti, Ms Clwyd, Mrs Kellett-Bowman (deputizing for Mr Tuckman), Mrs T. Nielsen, Mr Prag, Mrs Salisch, Mr Simpson and Mrs Squarcialupi (deputizing for Mr Ceravolo).

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At its meeting of 17/18 October 1983, the committee considered the motion for a resolution as a whole and adopted it by 8 votes to 5 with one abstention.

The following took part in the vote: Mr Papaefstratiou, chairman; Mr Pattison, vice-chairman; Mr Frischmann, vice-chairman; Mr van Minnen, rapporteur; Mr Alexiadis (substitute - Non-attached), Mr Boyes, Mrs Cassanmagnago Cerretti, Ms Clwyd, Mrs Kellett-Bowman (deputizing for Mr Tuckman), Mrs T. Nielsen, Mr Prag, Mrs Salisch, Mr Simpson and Mrs Squarcialupi (deputizing for Mr Ceravolo).

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The opinion of the Committee on Economic and Monetary Affairs will be published separately. The opinion of the Committee of Inquiry into the Situation of Women in Europe will be delivered orally.

The report was tabled on 20 October 1983.

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MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a recommendation on the reduction and reorganization of working time

The European Parliament,

- having regard to the proposal from the Commission to the Council (COM (83) 543 final),
- having been consulted by the Council (Doc 1-846/83),
- having regard to the report by Mr CERAVOLO on the Memorandum from the Commission of the European Communities on the reduction and reorganization of working time (Doc. 1-71/83)¹,
- having regard to the report by the Committee on Social Affairs and Employment and the opinions of the Committee on Economic and Monetary Affairs and the Committee of Inquiry into the Situation of Women in Europe (Doc. 1-909/83),
- having regard to the result of the vote on the Commission's proposal,

A. whereas

- the increase in unemployment is one of the main problems affecting the Member States of the European Community and the European Parliament, the Council, the Commission and the Economic and Social Affairs Committee have emphasized the importance of a general reduction in working time in the fight against unemployment,
- the European Parliament bears particular responsibility in respect of the millions of European citizens who are unemployed or who are threatened by unemployment,
- the European Parliament has affirmed the need for a far-reaching reduction in working time and a redistribution of work in terms not only of employment policy but also of the transformation in social values which has led to the search for a more equitable distribution of roles between men and women, more flexible working hours with a view to care of children and the acquisition of additional qualifications in the course of working life,

 $^{^{1}}$ OJ No. C 135, 24.5.1983, page 33 ff.

- a growing majority of Community citizens take a sceptical view of national efforts at going it alone in this policy area and are thus more European in attitude than the decisions of the Council would indicate,
- B. having regard to the clashes between the social partners as to the effects of a reduction of working time on employment and the costs of a reduction of working time,
- C. having regard to the possible financial obstacles to a reduction of working time and to the enormous social costs of unemployment which are financially crippling for Governments and prevent urgently needed job-related investments,
- D. having regard to the model computations in the memorandum from the Commission, which indicate that, if anything, a ten-percent reduction in working time would not be sufficient to reduce unemployment and which, depending on the sector or industry involved, do not rule out the possibility of reductions in working time with full wage compensation on the basis of the productivity gains resulting from such reductions in working time,
- E. concerned that, if the aim of a reduction in working time is confined to leaving business operating costs unaffected, less and less consideration will be given both to the general economic costs of unemployment and to the Community's aim of harmonizing the living and working conditions of Community citizens at the highest possible level,
- F. having regard to the fact that the competitiveness and innovative force of the European economy, on both the domestic and world markets, are dependent not only on operating-cost factors but also on social solidarity, as aspired to in the Treaty of Rome, as well as on the matching of production goals to an improvement in workers' living and working conditions,
- G. having regard to the fact that increasing unemployment leads to a great waste of human potential, resulting in a lasting deterioration of the general level of qualification to the detriment of the European economy's competitiveness,

- H. concerned that the division of the employment market will be further exacerbated without a substantial reduction in working time and a far-reaching redistribution of work,
- I. having regard to the serious social conflicts which are emerging in branches of industry threatened by unemployment, such as steel and shipbuilding, and which are partly the result of the Community's inadequate policy on the structure of industry,
- Stresses that Community action with regard to a reduction in working time is essential and that this action must be coordinated with a foresighted policy on industrial restructuring, on increasing competitiveness and on scientific and technological innovation (particularly in energy and environment policy);
- 2. Welcomes the fact that the Commission has responded to the European Parliament's demand and proposed Community action to the Council;
- 3. Notes, however, that on important points the draft recommendation does not take into account Parliament's resolution on the reduction of working time¹ since it
 - neither proposes 'practical measures by the Community' nor contains any suggestions as to how the Community might use the instruments available to it in a 'coordinated fashion',
 - specifies no aims for a Community employment policy against which the measures relating to a reduction in working time might be measured,
 - sets forth no proposals as to how the national and Community funds may be used in a coordinated fashion in order to support the measures relating to a reduction in working time by means of appropriate investments;
- 4. Notes that although the draft recommendation refers to the maintenance of competitiveness it provides for no practical Community measures for ensuring that Member States which comply with the demands for a substantial reduction in working time are not disadvantaged;

¹OJ No. C 135, 24.5.1983, page 33 ff.

- 5. Supports the analysis conducted by the Commission and by scientists that the Community should make every effort to keep up with technological and scientific development and calls for the benefits resulting from increased productivity to be passed on to workers in the form of a reduction in working time;
- 6. Stresses that the aim of a reduction in working time job creation must be consistent with the preservation of basic social rights, the maintenance of mass purchasing power and the safeguarding of the interests of the low paid;
- 7. Welcomes the fact that the draft recommendation explicitly reiterates the principle of sexual equality;
- 8. Stresses that the lack of agreement between the social partners at European level must not result in collective-agreement initiatives in the Member States which are geared to Community aims being delayed or blocked and therefore regrets that no objectives have been set for a Community policy on a reduction in working time;
- 9. Calls therefore for the specific inclusion in the recommendation of the aim of guaranteeing 'in the short term a significant reduction in daily, weekly and/or yearly working hours' in order to create jobs;
- 10. Appeals to the social partners to act with this aim in mind;
- 11. Welcomes Community action to limit overtime, but notes that the draft recommendation contains no Community framework for harmonization;
- 12. Regrets therefore the existence in a number of Member States of legal or administrative framework provisions on working time which make no contribution towards either a limitation of overtime or a general reduction in working time;
- 13. Calls for the coordination at European level of the financial support to be accorded employers and employees in the event of a reduction in working time or a modification of working hours within an enterprise;

- 14. Calls for the Community's structural funds (in all areas of intervention) and Community investment in research, technology and industrial structural policy to give priority support to projects involving models of work redistribution and reductions in working time that would have a beneficial effect on employment;
- 15. Urges that the recommendation call upon the Commission to develop proposals on the harmonization of policies relating to working time on the basis of the reports by the Member States and to propose an appropriate framework directive;
- 16. Calls upon the Council to adopt as soon as possible the draft directives on part-time working, temporary work and parental leave as supporting measures for a comprehensive employment policy;
- 17. Points out and stresses the commitment undertaken in the Treaty of Rome to promote improved working conditions and an improved standard of living for workers, so as to make possible their harmonization while the improvment is being maintained and calls upon the Commission and the Council to take this into account in the recommendation on the reduction of working time;
- 18. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

- 1. It is not the intention of your rapporteur to use this report to re-examine the entire series of arguments presented by the European Parliament during its debate on the reduction in working time and on employment policy. In line with its brief, this report examines whether the Commission has acted upon Parliament's resolution in its recommendation. However, it also had to be taken into consideration that the Economic and Social Committee too has adopted a report confirming the reduction of working time as a Community task and that meetings of the Council (including the Stuttgart Summit) have hitherto produced no practical measures relating to a reduction in working time with a view to improving the employment situation. An assessment of the draft recommendation also had to bear in mind that the Community's workers, the unemployed, women and young people all look to the European Community for practical measures to eliminate unemployment; the Community's citizens mostly seem to realize better than most of the Governments represented in the Council of Ministers that unemployment can no longer be tackled at the national level.
- 2. The European Parliament has called for Community action to reduce working time initially to take the form of a recommendation. At the same time, the content of such a recommendation was laid down in relatively detailed terms. Parliament's resolution focussed on the aspect of Community action and on the coordination of the support measures for a reduction in working time and for a redistribution of work with a view to creating jobs. Your rapporteur has examined to what extent the Commission has acted upon the resolution in its proposal and notes that important sections of Parliament's resolution have not been taken into consideration. Parliament welcomes the proposal for a recommendation by the Commission, but, given the latter's previous decisions, cannot accept the fact that the Commission has ignored the aspect of Community action in particular. Your rapporteur is of the opinion that the Commission cannot be relieved from its responsibility of proposing practical steps for Community action and therefore proposes that the Commission be called on to submit, on the basis of the reports from the Member States, a framework directive defining the aim of Community action.