

# EUROPEAN PARLIAMENT

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*Committee on Economic and Monetary Affairs*

PROVISIONAL  
**2007/2023(INI)**

20.4.2007

## **DRAFT OPINION**

of the Committee on Economic and Monetary Affairs

for the Committee on Employment and Social Affairs

on modernising labour law to meet the challenges of the 21st century  
(2007/2023(INI))

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## SUGGESTIONS

The Committee on Economic and Monetary Affairs calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Stresses the need to propose social, economic and legislative innovations which respect and promote the Community *acquis* - with the involvement of the social partners and on the basis of collective agreements, as required at institutional level - and considers that it is necessary to change the way work is organised and move towards a working culture based on trust, dignity and responsibility;
2. Sets the objective of creating 'more and better jobs' with a view to using growth and competitiveness to improve living and working conditions and pursuing development with due respect to social cohesion and sustainability for the benefit of future generation, changes arising from globalisation, demographic challenges, new technologies and the service economy;
3. Welcomes the approach taken to undeclared work and the underground economy which - although present to a varying extent in the different Member States - damage the productive system, are detrimental to consumers, reduce tax revenues and lead to unfair competition between firms;
4. Considers that it is necessary to strike a fair balance between flexibility and security by taking into account the requirements of firms and employees; reiterates the need to aim for flexibility wherever possible, whether in terms of types of employment or working hours; points to the need to consider the issue of reallocating roles and reconciling professional, family and personal commitments; considers that it is necessary to take account of all forms of employment, including the caring professions and voluntary work;
5. Emphasising that there is no empirical evidence to confirm that employment increases as a result of switching from restricting flexibility when workers enter employment to loosening constraints on flexibility when they leave it, or exchanging individual job protection for protection of the employment market in general, draws attention to the need to devise means of adjusting safeguards rather than merely extending or reducing them, and expresses concern at the risks involved in transferring the burden to the public budget, and the potential implications for the stability and growth pact;
6. Notes the need to pursue active employment policies based on life-long learning rather than on employees resorting to training only at times of crisis, in the conviction that the employability and adaptability of the labour force create security both for firms and for workers and are vital for the competitiveness of a knowledge-based economy.