

that girls and boys feel that they can make free use of their leisure time according to their personal interests and abilities, regardless of whether an activity is thought of as typically male or female.

4.4. The Committee of the Regions notes that a fundamental premise for the achievement of equal opportunities in leisure policy is that the framework for political involvement should be changed to allow women genuinely, as opposed to formally, to take an active part in the decision-making process, that women's influence

be further stepped up at local and regional level, and that various means be mobilized to make it easier for women to move on to important, top-level positions.

4.5. Finally, the Committee of the Regions would emphasize the need for all leisure time to be a source of joy and satisfaction and that for reasons of increased equality it is extremely important to ensure that, in the context of all leisure time activities, consideration is given to girls' and boys' needs for social contact, enjoyment and esthetic values.

Brussels, 20 November 1997.

*The Chairman*  
*of the Committee of the Regions*  
Pasqual MARAGALL i MIRA

---

**Opinion of the Committee of the Regions on the 'Green Paper: partnership for a new organization of work'**

(98/C 64/15)

THE COMMITTEE OF THE REGIONS,

having regard to the Commission Green Paper: partnership for a new organization of work (COM(97) 128 final);

having regard to the decision taken by the Commission on 18 April 1997, under the first paragraph of Article 198(c) of the Treaty establishing the European Community, to consult the Committee of the Regions on the matter;

having regard to its decision on 11 June 1997 to direct Commission 8 — Economic and Social Cohesion, Social Policy and Public Health — to draw up the relevant opinion;

having regard to the draft opinion CdR 288/97 rev. adopted by Commission 8 on 24 September 1997, rapporteurs: Mrs U. Olander and Mr S. Andersen,

unanimously adopted the following opinion at its 20th plenary session on 19 and 20 November 1997 (meeting of 20 November).

**1. Introduction**

1.1. The Committee of the Regions (COR) would refer to the Council meeting in Essen, December 1994, which particularly emphasized the need to increase the employment intensity of growth, particularly via a more flexible organization of work, in line with employees'

wishes and the exigencies of competitiveness; and the Council's Resolution on growth and employment, adopted in Amsterdam in June 1997.

1.2. In publishing the green paper, the Commission aims to stimulate debate around new ways of organizing work. The Commission feels that the reorganization of work, on a basis of know-how, trust and quality would boost employment and competitiveness. Employers and

employees must be able to take initiatives, to improve the quality of goods and services, and to develop the production process and consumer relations. The green paper focuses on three key questions:

- why a new organization of work — and how?
- what are the policy challenges?
- is it possible to establish a new partnership for a more productive, participative and learning organization of work?

## 2. General comments

2.1. The Committee of the Regions feels that the green paper offers a most useful basis for continuing the European debate on organization of work. The green paper makes an important contribution towards modernizing the workplace. The Committee of the Regions shares the view that employers and employees must work together to shape a new organization of work based on high levels of skill, faith in the future and quality.

2.2. The Committee of the Regions shares the Commission's view that European businesses and public authorities need to introduce new working practices. However, European regions and municipalities have already come up with many examples of modernization. At the same time, it should be remembered that local and regional authorities play several different roles, e.g. as employers, custodians of the community, social providers, facilitators of civil rights, enablers of democratic participation — local governance, regulators and eradicators of social exclusion (these examples are taken from the COR Opinion on the report of the Comité des Sages: for a Europe of civic and social rights<sup>(1)</sup>).

2.3. The main focus is currently on the local and regional authorities' role as employer and service provider. Consequently local authorities must be able to meet the needs of both citizens and employees. When addressing citizens' needs it should be remembered that what is required is not merely a good level of service achieved by harnessing effectively what are in many cases dwindling economic resources; it should also be borne in mind that an efficient public sector at local and regional level provides the right climate for private companies to be as successful as possible. Efficient public administration increases corporate employment potential. We should however, remind ourselves constantly that the public and the private sectors are

basically two different sectors — complementary — but with their own specific characteristics.

2.4. One of Europe's most urgent problems at the moment is the excessively high unemployment rate. The question however is whether a new organization of work will immediately help the employment situation. However, the green paper contains few proposals for combating Europe's high unemployment rate.

2.5. The Committee of the Regions takes as its premise the fact that the much needed boost to Europe's competitiveness must be underpinned by a modern organization of work. Nevertheless, in the short term there is a risk that the necessary streamlining of activities could in itself lead to layoffs. In the medium term, there is a danger that less qualified workers will be forced out of the labour market; yet the green paper pays too little attention to this. In the long term, however, modern organization techniques will create the right conditions to boost employment and improve welfare. Given current trends, there is unlikely to be an increase in the total number of public sector employees.

## 3. Specific comments

3.1. Top-down systems should give way to more network-oriented organizations (points 13 and 21), in order to provide the productivity increase needed to pay for the growing future demand for healthcare, education, care for the sick and the elderly, etc. (point 27). In this context the current demographic projection is worth noting. This shows that the working age population will drop after the year 2000, whilst the number of elderly people will increase. It seems fair to say that a consequence of the ageing population should be that the employment market will increasingly need younger people. So far, however, youth unemployment remains extremely high in many Member States.

3.2. The green paper refers to the shift from top-down systems as a process of continuous change, or 'the flexible firm'. This shift also springs from citizens' requirements in terms of labour, the market, and information and communications technologies (ICT). Today's citizens do not accept yesterday's working patterns. Tomorrow's well-educated leaders and co-workers were born in the 60s and 70s and are now starting to take-over in the workplace. As customers, we expect to be able to influence both businesses, public authorities and to receive individual service from them (point 19). Local and regional authorities should see to

<sup>(1)</sup> OJ C 244, 11.8.1997, p. 53.

it that they exploit the opportunities afforded by the new technologies to the full.

3.3. The Committee of the Regions feels that the continued debate should focus particularly on the following issues and requirements. Local and regional authorities need to grasp the issues both as employers and in their relations with citizens and companies.

#### *Small and medium sized enterprises*

3.4. The establishment of special local development and training centres for small and medium-sized enterprises should be encouraged (point 28). The aim should be to help set up and develop small and medium sized enterprises. An initiative of this type could provide inspiration for new ways of organizing work. Local and regional authorities, familiar as they are with local circumstances, have an important role to play here. The necessary interplay between local and regional authorities and small and medium sized enterprises underpins the recently launched territorial pacts for employment. The Committee of the Regions believes that the territorial pacts will provide a good opportunity to try out new forms of cooperation.

#### *Flexibility and security*

3.5. The balance between flexibility and job security must be in the interests of both employers and employees (points 30 to 32). Clearly it must not be a type of flexibility which merely leads to increased unemployment. An important aspect is, of course, what we actually understand by flexibility and security.

3.6. Flexibility means *inter alia* that it will become increasingly common for employees to do different types of work and change employer several times during their working life. Employment contracts will take different forms. Working hours will be adapted to suit the changing needs of both parties. Periods of study and further training will be an integral part of an employee's career.

3.7. Job security does not necessarily mean that an employee will have a secure job with one and the same employer the whole time, as has thus far been the case. Security could mean that the employee can feel sure that he or she will have constant access to the training needed to be able to do different jobs in the future. The Committee of the Regions believes that for the purposes

of job security our social security systems must be given a new format. They can no longer be based on the assumption that the normal employment pattern consists of a fixed job for life. The Commission has started to address the necessary changes (points 58-61).

#### *Education and training: lifelong learning*

3.8. The regions and municipalities together with businesses on the ground know best which education initiatives need expanding and how they should be implemented (point 39). Joint responsibility for continuing vocational training should lie with the public authorities, business, the two sides of industry and each individual. Without financial support at national level, however, it will be impossible to achieve the declared objectives concerning employment and corporate development. Employment offices and the European social fund also have an important role to play in this area. The options for creating new forms of funding for employees' studies must be looked into, in consultation with the public authorities and the social partners.

3.9. The Committee of the Regions believes that job security increasingly consists of access to education and further training. The importance of lifelong learning cannot be stressed enough. The unemployed must be provided with training. It is equally important, however, to provide those in work with further training. The quality control arrangements for this training will be of the greatest importance.

Training initiatives should preferably be such as to provide employees with skills which can be exploited for various jobs with different employers. Excessively specialized further training courses could make the necessary change of field more difficult. The public and private sectors still have much to learn from each other in terms of training course content and methods.

#### *Legislation or agreements, different levels*

3.10. The green paper also raises the following questions: what needs to be regulated by legislation, collective bargaining, and by individual contract between the employer and employee? Should any particular level be given preference over another? The Committee of the Regions believes that the parties in different countries, sectors and activities should have the freedom to work out the format which best suits their current needs. Where collective agreements are the norm, they must not be weighed down by the addition of new rules. Locally adapted collective agreements are often preferable to legislation (point 43). It is of course only natural that the Committee of the Regions should

emphasize that social dialogue at local level is of the greatest importance. Nevertheless, national framework agreements concerning certain employment conditions and fixed period wage ceilings can play a very important, positive role. Social dialogue between the partners at national level could be necessary in order to carry the development process forward.

3.11. The Commission has recently launched consultations with the social partners on the advisability and direction of Community action in the field of information and consultation of employees at national level. The Commission notes that most EU Member States already make comprehensive use of regulations of this kind, both through legislation and collective agreement. There is a risk that new European regulations might clash with local bargaining systems which, generally speaking, work well and are expanding continuously (point 44). It must be possible for the social partners to rectify any shortcomings in current regulations.

3.12. In situations in which European Community measures are necessary, the European social partners' successful ventures have shown that the best way to achieve a renewed organization of work is through agreement. Organizations must not rely on a legal framework to help manage change. The legal framework must reflect operational and organizational needs, not vice-versa. Successful organizational change relies on effective employee relations, not rules and regulations.

3.14. The COR supports the Commission's efforts to promote worker profit-sharing schemes (point 47 of the green paper). Since the effect of profit-sharing schemes is positive, the conditions for putting them in place should be improved.

#### *Working time*

3.15. Encouragement for new working time solutions. Voluntary, local agreement-based systems combined

with a new organization of work are to be preferred. It should be borne in mind that the problem of changing working time involves several aspects.

3.16. What is needed is flexible working hours i.e. adapted to both employees different personal needs, and to the employers changing requirements. Flexibility must, therefore, mean more than just abolishing current regulations governing working hours. Some employers, especially in local government, have introduced annualized hours contracts, which have the benefit of being sufficiently flexible to meet both employee and employer needs. The framework agreements on parental leave reached with UNICE, CEEP and ETUC show that there could also be a need for agreements at European level (point 53).

3.17. Moreover, a change in working time could simply mean a reduction in working time. Can a shortening of working time create more jobs or will it simply lead to reduced productivity? (point 48). The Member States have different experiences of the impact of a reduction in working hours. The Committee of the Regions believes that the Commission should study this in more detail.

3.18. Some employees are keen on the option of working part-time. Women in particular see part-time work as an opportunity to combine paid employment and a family. Local and regional authorities employ many people on part-time contracts. There is, however, a downside to part-time work in that it is not normally possible for an individual or a family to get by on part-time work alone. UNICE, CEEP and the ETUC have also recently signed framework agreements on part-time work (point 52).

#### *Social Security*

3.19. The COR welcomes the fact that the European debate on the future of social protection is also being conducted as part of the discussions on a new organization of work (points 58-61 of the green paper). It is also important to remember, however, that moves towards greater labour flexibility must not be allowed to undermine social protection.

#### *Telework and ICT*

3.20. Telework is something local and regional authorities should also learn to make use of, and encourage companies to develop (point 75). The basic forms of telework should be regulated through collective bargaining. It should be noted, however, that development of telework could be costly, and that much of the personal work — e.g. social work — carried out

by public employees in the interest of the public is less suited to the technological advances of telework.

### *Equal opportunities*

3.21. The Committee of the Regions endorses the requirement for training, child care, public transport, decision-making and individual working time arrangements to take account of equal opportunities for women and men. Access to child care is particularly important if men and women are to have equal opportunities to take up paid employment. Modern, non-hierarchical organizations can help women get on at work, and thus achieve managerial status on a wider scale than is currently the case (points 65 to 67). The mainstreaming of equal opportunities in both service provision and employment policy is essential to modern, flexible and responsive organization, as is the need to recognize the business benefits of a diversified workforce. The Committee of the Regions welcomes the European Commission's remarks about equal opportunities in its green paper. It regrets that mainstreaming has not been rigorously observed in every chapter of the green paper (e.g. the chapters on social security, integration of people with disabilities and modernization of the public sector).

### *People with disabilities*

3.22. The Committee of the Regions would emphasize that people with disabilities should be given greater opportunity to take part in the world of work. Both local authorities and firms need to become more aware of the broad range of work people with disabilities can do. Changes to the working environment of the kind which might, for example, arise in relation to telework must at all events be prevented from leading to the further exclusion of people with disabilities by making social contact even more difficult.

### *Modernization of the public sector*

3.23. If local and regional authorities are to optimize their performance in today's rapidly changing world, then the whole public sector must adopt a flexible organization of work (point 74).

3.24. There are a number of examples where local and regional public sector bodies have developed innovative forms of work organization in the areas referred to in the green paper. The European social partners are also contributing to the debate. The Committee of the Regions intends — in consultation with the Commission

and the social partners — to commission a comprehensive, updated report on how far the local and regional authorities have advanced in this area.

3.25. There is, however, reason to exercise the greatest caution when speaking of the potentially immediate employment benefits a new organization of work might provide. Case studies presented at a recent seminar organized by the employers' platform of the CEMR and the employees' organization EPSU, showed that new ways of organizing work help, at best, to stabilize employment levels, at least in the early stages.

3.26. The Committee of the Regions believes that local and regional authorities have already started to move towards a more flexible concept of the employee. The rigid notion of what it means to be a civil servant, with employees divided up into different categories, and with a more or less guaranteed job for life for certain groups, needs to change. This process should be adapted to the individual circumstances of the Member States. The 'single status' agreement which is now being implemented in the UK, provides a fresh example of how the division of employees into workers and civil servants can be abolished. Special development and training plans for public employees increase the potential for flexibility and change. Many attempts are underway to combine employees' wishes for working hours tailored to the individual with citizens' demands for proper staffing levels at different times. At the same time it should be remembered that all these measures could lead to increased costs. The COR believes that the green paper pays insufficient regard to a question of increasing relevance in the run-up to the EMU, that is how to reconcile the issue of paying for public services and the increasing demand for these services.

### *Partnership*

3.27. The Committee of the Regions agrees that the introduction of a new organization of work will also require new forms of partnership (points 81 to 86). It is correct to say that the partnership involves, first and foremost, workers and managers in the firm. This, however, does not merely include employees, the unions and employers. A modern partnership is one in which the local and regional authorities also take an active part. Individual citizens must also feel involved in the renewal process. We must create a situation which benefits all participants.

#### 4. Summary of conclusions

4.1. The Committee of the Regions takes the basic view that the necessary boost to Europe's competitiveness must be underpinned by a modern organization of work. In this respect, local and regional authorities have a part to play both as employers and as providers of services for the benefit of citizens and firms. Given the current situation, it is unlikely that the total number of public employees will rise in all Member States.

4.2. The Committee of the Regions shares the view that European companies and the public sector can introduce a new organization of work. Top-down systems should give way to more network-oriented forms of organization.

4.3. The balance between job flexibility and job security must benefit both employer and employee. Job security should increasingly consist of access to education and further training, rather than being a guarantee of doing the same job for the same employer throughout one's whole working life.

4.4. The regions and municipalities, together with businesses on the ground, know best which education initiatives are needed and how they should be implemented. The declared objectives in terms of employment and corporate development cannot be achieved without financial support at national level.

4.5. The Committee of the Regions believes that the social partners in different countries, sectors and branches of activity must be given considerable freedom to work out the solutions, in the form of legislation or agreements at different levels, which best meet their current needs. Solutions adapted to the local situation are, however, often preferable to legislation. In those situations in which Community measures are required, the European social partners' successful ventures have shown that collective bargaining can provide a suitable option.

4.6. New working time arrangements must be encouraged. The Commission should look further into the connection between a reduction in working hours and the potential for increased employment.

4.7. The Committee of the Regions intends — in consultation with the Commission and the social partners — to commission a comprehensive, updated assessment of the extent to which the regions and municipalities have introduced, or are introducing, elements of modernization. A more flexible notion of the employee has started to take root in the public sector. The rigid notion of the civil servant, with workers divided up into different categories, and a virtual guarantee of lifelong employment for certain groups, is beginning to change.

4.8. The Committee of the Regions agrees that the introduction of a new organization of work will also require new forms of partnership. In a modern partnership, local and regional authorities must join forces with firms, employees and trade unions.

Brussels, 20 November 1997.

*The Chairman*  
*of the Committee of the Regions*  
Pasqual MARAGALL i MIRA