



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 6 December 2007

16201/07

**SOC 523
ECOFIN 503**

NOTE

from : Council (Employment, Social Policy, Health and Consumer Affairs)

to : European Council

No. prev. doc. : 15497/07 SOC 476 ECOFIN 483 + COR 1(es) + COR 2(sk) + COR 3(pt)

**Subject : Towards Common Principles of Flexicurity
- Council Conclusions**

Delegations will find attached Council Conclusions, as adopted at the Council (EPSCO) on 5/6 December 2007, to be forwarded to the European Council in view of its meeting of 14 December 2007.

COUNCIL CONCLUSIONS
Towards Common Principles of Flexicurity

THE COUNCIL OF THE EUROPEAN UNION,

Welcoming the communication of the European Commission on “Towards Common Principles of Flexicurity”¹ and recognising the importance of a solid, integrated and balanced approach to the key challenges for the modernisation of labour markets, including the four components of flexicurity there identified;

In response to the mandate of the European Council of March 2007²;

Taking into account a careful reflection on the basis of the Communication of the European Commission, with the participation of all relevant stakeholders, namely Member States, the European Commission, the European Parliament, other European institutions, the social partners and other stakeholders;

Recalling in this context especially the Conference on "Flexicurity: Key Challenges" held in Lisbon on 13/14 September 2007;

Taking into account the opinions on flexicurity approved by the European Parliament and the European Economic and Social Committee;

¹ COM(2007) 359 final

² 7224/1/07 REV 1, Conclusion nr. 18

Taking full note of the Joint Opinion of the Employment Committee and the Social Protection Committee, which incorporated a contribution from the Economic Policy Committee;

Welcoming the agreed joint analysis by the social partners at the European level of key challenges facing European labour markets;

Acknowledging that the common principles are intended to be instrumental in the implementation of the next cycle of the Lisbon strategy and to serve as a useful basis for reforms, framing national policy options and specific national arrangements in the field of flexicurity; recalling that there is no single pathway, and there is no principle more important than another;

Underlining the importance of European-level mutual learning and progress monitoring in the field of flexicurity, for which a consensual set of robust indicators based on high-quality statistics, covering equally and adequately the different components of flexicurity, is of utmost importance;

Stressing the need to promote the awareness of citizens of flexicurity policies and their importance for the reform of European economic and social models;

Underlining the importance of responding to today's challenges, while ensuring stability both in contractual relations and during employment transitions;

Underlining the importance of social dialogue and of the social partners being actively involved at all relevant levels in the design and implementation of flexicurity policies;

ENDORSES

the final and consensual version of the common principles of flexicurity, annexed to these conclusions, as well as the Joint Opinion of the Employment Committee and the Social Protection Committee³;

³ doc. 15320/06

INVITES the Commission

- to take the necessary steps to secure favourable conditions for a balanced implementation of this approach by Member States, taking into full account all aspects of the above-mentioned Joint Opinion of the Employment Committee and the Social Protection Committee;
- to launch a public initiative in close cooperation with the European social partners in order to facilitate the ownership of the principles by the relevant stakeholders on the labour market, and to raise the awareness of citizens of flexicurity, its underlying logic, its main elements and its implications, and to keep the Council fully informed of its actions in this respect.

The Common Principles of Flexicurity

- (1) Flexicurity is a means to reinforce the implementation of the Lisbon Strategy, create more and better jobs, modernise labour markets, and promote good work through new forms of flexibility and security to increase adaptability, employment and social cohesion.
- (2) Flexicurity involves the deliberate combination of flexible and reliable contractual arrangements, comprehensive lifelong learning strategies, effective active labour market policies, and modern, adequate and sustainable social protection systems.
- (3) Flexicurity approaches are not about one single labour market or working life model, nor about a single policy strategy: they should be tailored to the specific circumstances of each Member State. Flexicurity implies a balance between rights and responsibilities of all concerned. Based on the common principles, each Member State should develop its own flexicurity arrangements. Progress should be effectively monitored.
- (4) Flexicurity should promote more open, responsive and inclusive labour markets overcoming segmentation. It concerns both those in work and those out of work. The inactive, the unemployed, those in undeclared work, in unstable employment, or at the margins of the labour market need to be provided with better opportunities, economic incentives and supportive measures for easier access to work or stepping-stones to assist progress into stable and legally secure employment. Support should be available to all those in employment to remain employable, progress and manage transitions both in work and between jobs.

- (5) Internal (within the enterprise) as well as external flexicurity are equally important and should be promoted. Sufficient contractual flexibility must be accompanied by secure transitions from job to job. Upward mobility needs to be facilitated, as well as between unemployment or inactivity and work. High-quality and productive workplaces, good organisation of work, and continuous upgrading of skills are also essential. Social protection should provide incentives and support for job transitions and for access to new employment.
- (6) Flexicurity should support gender equality, by promoting equal access to quality employment for women and men and offering measures to reconcile work, family and private life.
- (7) Flexicurity requires a climate of trust and broadly-based dialogue among all stakeholders, where all are prepared to take the responsibility for change with a view to socially balanced policies. While public authorities retain an overall responsibility, the involvement of social partners in the design and implementation of flexicurity policies through social dialogue and collective bargaining is of crucial importance.
- (8) Flexicurity requires a cost effective allocation of resources and should remain fully compatible with sound and financially sustainable public budgets. It should also aim at a fair distribution of costs and benefits, especially between businesses, public authorities and individuals, with particular attention to the specific situation of SMEs.
