



EUROPEAN PARLIAMENT

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Committee on Employment and Social Affairs

2013/2093(INI)

17.10.2013

OPINION

of the Committee on Employment and Social Affairs

for the Committee on the Internal Market and Consumer Protection

on a European Retail Action Plan for the benefit of all actors
(2013/2093(INI))

Rapporteur: David Casa

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SUGGESTIONS

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

1. Notes the importance of the retail sector, which accounts for almost 15 % of the EU's total employment, skilled as well as unskilled, and in particular its importance for young people; acknowledges the Commission's approach based on the belief that facilitating mobility could assist the growth of the sector, but stresses that cross-border job placement alone should not be regarded as a way out of the crisis; notes as well that 29 % of all EU enterprises, including a very high share of SMEs, are engaged in this sector; considers, also, that traditional trades have suffered in recent years and that measures are needed to bolster and promote quality employment in this sector;
2. Highlights the fact that retailers are offering diverse and modern ways of purchasing and selling goods and services which contribute to wider consumer choice and flexible employment opportunities, in particular for youth and the long-term unemployed;
3. Stresses the need for a single coherent plan of action – effectively coordinating different policy areas – with a view to enhancing the performance of the retail sector in economic, social and environmental terms equally, in line with the Europe 2020 strategy objectives, focusing on the preservation and creation of high-quality and sustainable employment;
4. Considers that, due to the economic recession, there has been a significant loss of employment in the sector, including among large retailers, and that it has had to resort more than previously to compelling employees to work shorter hours; observes that some multinationals, while maintaining positive levels of profitability, have used the crisis as a pretext for reducing staffing levels, increasing workloads, using wage subsidy schemes and reducing working hours;
5. Highlights the importance of addressing the mismatch between labour force skills and the requirements of the retail sector, with special emphasis on the countries with high levels of youth unemployment, and with a thorough consideration for the improvement of working conditions, so as to favour job creation, especially for young people, the long-term unemployed, older workers and the disabled, as well as to consider the need to update skills through lifelong learning in order to allow employees both to take on new tasks resulting from innovation and to better respond to labour market needs, as well as to enable them to work in traditional trades with short supply of labour; stresses also that employers should be proactive in regularly preparing employees for changes and innovations in their sector;
6. With this in mind, and in order to combat effectively the problem of mismatched skills in the retail industry, it is necessary to establish clearly the requirements of this sector in terms of quality and quantity, with the active involvement of all stakeholders, including the social partners and the corporate sector;
7. Considers that wages are generally lower in the retail trade than, on average, in other

sectors and that this results in skills shortages, as the low wages discourage highly skilled workers from remaining in the trade and from regarding it as a sector where it is possible to make a career; recommends, therefore, that Member States and businesses adopt wage rates in the sector that provide employees with a decent living, which should always be done in agreement with the social partners, where relevant;

8. Deplores the fact that the sector employs a high proportion of young staff, which is combined with a rapid staff turnover, the tendency being to recruit young people at low cost, on flexible contracts, and then replace them as soon as they are a little older, as well as to replace staff who have more permanent and expensive contracts; calls on the Member States to adopt plans providing for incentives for training and retraining of older workers; considers there to be an urgent need to support this sector in order to provide lasting and decent employment;
9. Underlines the need to make greater use of existing and planned instruments at EU level in support of structured partnerships between skill providers and businesses, including the Sector Skills Alliances, under the Erasmus for All Programme, and the European Youth Guarantee; encourages the development of school-business partnerships such as dual training systems for apprenticeships supported by the European Alliance for Apprenticeships;
10. Considers the sector to be characterised by considerable flexibility, with fixed-term contracts and the use of temporary agency workers; considers also that this sector tends to require workers to work on Sundays and public holidays, including evening and night work, which could have a negative impact on workers' health and work-life balance; notes the importance of promoting a healthy work-life balance, and consequently calls on Member States to adjust their policies in relation to working on Sundays and public holidays in the retail sector, in order to promote a healthy work-life balance for workers without unduly negatively affecting SMEs in the sector; calls on Member States and the social partners strongly to consider implementing policies that would regard Sunday work as always being voluntary, adequately paid and balanced by compensatory time off., with exceptions having to be sufficiently justified;
11. Calls on the social partners to take as a model the many intra-company agreements which have promoted self-managed work schedules, so that staff can plan overtime or additional working hours a week in advance, rather than being called upon to perform such work at short notice, and have the possibility of choosing to work at sales outlets other than those where they usually work, for personal reasons;
12. Calls for increased support and encouragement for SMEs and cooperatives, in particular innovative ones and those that contribute to the social economy, that address new market needs and are involved in environmentally friendly and socially responsible activities, in order to increase the competitiveness of the EU retail sector, drive down prices for consumers, improve service quality and create new job opportunities;
13. Notes important new trends that enhance efficiency in the provision of retail services, and encourages the support of such developments, including in the framework of the Digital Single Market, particularly its cross-border development; calls for additional support for smaller retailers as they are generally less able to keep up with changing technologies;

14. Points out that large retailers have reaped the greater part of the benefits, at the expense of small and micro-enterprises, thanks to their ability to exploit economies of scale, increase productivity and offer lower prices; observes that this is grounds for concern with regard to social and local cohesion, with the disappearance of small shops from city centres, smaller settlements and rural areas, and their transference to out-of-town shopping centres, which makes it difficult, particularly for older and disabled people, to gain access to basic necessities; observes that, as a result of this, many jobs have been lost with small retailers; calls on the Commission and the Member States to provide investment and incentives to support SMEs in the sector and to adopt strict legislation on opening hours in order to ensure fair competition;
15. Notes that undeclared work represents an important issue in the retail sector, entailing high social risks and low income for workers, who are excluded from health coverage and social benefits, adversely affecting the economies of the Member States and the financial viability of the European social model, and undermining the funding and distribution of social benefits and public services; observes with concern the understaffing of employment authorities in many Member States; calls for a proper implementation of existing social and labour legislation and increased labour inspections, where needed; welcomes the Commission's initiative to engage in dialogue with stakeholders in the retail sector, under the European Platform to fight undeclared work, to assess the impact of the informal economy on working conditions and to identify an EU approach to combat it; considers that it would be desirable for employers' associations to expel employers who use undeclared employees;
16. Welcomes the call for safety at work in the Commission communication by means of the development of intelligent warehouses which reduce the risk of accidents arising from the moving of heavy loads in one of the most dangerous sectors with reference, in particular, to work-related stress and musculoskeletal disorders due to poor postures; with regard to the latter aspect, calls on the Commission to take action by once again taking up the proposal for a directive which was abandoned some time ago;
17. Deplores the fact that, while it considers franchising to be a useful tool for generating growth in the sector and creating jobs, in some cases the corporate contracts in force at the franchisor company have not been applied to employees of the franchisee company;
18. Considers that social dialogue in the retail sector has attained satisfactory levels and therefore welcomes the Commission's decision to set up a permanent Group on Retail Competitiveness involving Member States and relevant stakeholders;
19. Deplores the omission from the Commission's communication of any reference to the social dumping phenomena which exist in the sector and which induce some multinationals to invest in countries where freedom of association and the right to collective bargaining are thwarted;
20. Considers that retail market legislation should be more thoroughly evidence-based, particularly as regards the need to examine and understand adequately the impact of legislation on small businesses;
21. Calls for actions – at EU and national level – to remove any unnecessary regulatory

restrictions and administrative barriers that may limit growth, innovation and job creation in these sectors;

22. Points out that 8.7 % of the European population were unable to access appropriate quantities and quality of food in 2010; underlines the importance of EU policy supporting access to food retail outlets that supply good-quality, affordable food, particularly in disadvantaged areas, as well as supporting decent employment;
23. Stresses the significance of small and medium-sized retailers for the reinvigoration, diversity and liveliness of town and village centres, for providing shopping opportunities to local residents, including the elderly, and for providing employment in rural areas.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	17.10.2013
Result of final vote	+: 34 -: 2 0: 0
Members present for the final vote	Regina Bastos, Edit Bauer, Heinz K. Becker, Phil Bennion, Vilija Blinkevičiūtė, Philippe Boulland, Alejandro Cercas, Ole Christensen, Minodora Cliveti, Marije Cornelissen, Emer Costello, Frédéric Daerden, Richard Falbr, Thomas Händel, Stephen Hughes, Danuta Jazłowiecka, Patrick Le Hyaric, Olle Ludvigsson, Thomas Mann, Csaba Óry, Sylvana Rapti, Licia Ronzulli, Elisabeth Schroedter, Nicole Sinclair, Jutta Steinruck, Andrea Zanoni, Inês Cristina Zuber
Substitute(s) present for the final vote	Georges Bach, Sergio Gutiérrez Prieto, Anthea McIntyre, Csaba Sógor, Tatjana Ždanoka
Substitute(s) under Rule 187(2) present for the final vote	Eric Andrieu, Pilar Ayuso, Eduard-Raul Hellvig, Roberta Metsola