



EUROPEAN COMMISSION

Brussels, June 2007

## COMMENTS OF THE EUROPEAN COMMISSION ON AN OPINION FROM THE DANISH PARLIAMENT

### COM(2006)708 GREEN PAPER 'MODERNISING LABOUR LAW TO MEET THE CHALLENGES OF THE 21ST CENTURY'

The Commission would like to thank the Danish Parliament for the opinion adopted by its Labour Market Committee (*Arbejdsmarkedsudvalg*) and European Affairs Committee (*Europaudvalg*) on the Green Paper 'Modernising labour law to meet the challenges of the 21st century'. This opinion responds to the invitation of the Commission to National Parliaments "to react" to new proposals and consultation papers "so as to improve the process of policy formulation"<sup>1</sup>.

In the Social Agenda 2005-2010, the European Commission announced its intention to publish a Green Paper on the development of labour law with a view to analysing current trends in new work patterns and the contribution labour law can make towards reducing labour market segmentation, providing a more secure working environment and encouraging better and more efficient transitions on the labour market. The Green Paper 'Modernising labour law to meet the challenges of the 21st century' was adopted by the European Commission on 22 November 2006. The purpose of the Green Paper is to launch a public consultation over a four months period ending 31<sup>st</sup> March 2007 on how labour law can be updated to meet the key challenge of greater adaptability of both workers and enterprises. This objective is in line with the calls by the European Council for action in response to the challenges stemming from the combined impact of globalisation and of the ageing of European societies.

The Commission welcomes the opinion of 30<sup>th</sup> March 2007 which has been jointly endorsed by the Labour Market Committee and the European Affairs Committee of the Danish Parliament as a contribution to a continuing debate on the issues raised in the Green Paper. It is also pleased to have had the opportunity to participate in a preparatory

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<sup>1</sup> See "A citizens' agenda - delivering results for Europe", COM (2006)211, 10 May 2006.

consultation on the Green Paper convened by the two Committees on 14 March, together with the social partners and researchers from the Copenhagen Business School (*Handelshøjskolen*) and the University of Copenhagen.

The Opinion considers the Danish flexicurity model, which has developed through a process of tripartite dialogue involving the social partners and the political system, to be well suited to adapting to changes in the global market and to have been successful in achieving a gradual shift of focus from job security to employment security. It identifies the bilateral approach, reflected in agreements on pay and working conditions concluded between employers and trade organisations, as a corner-stone of the Danish flexicurity model. At EU level, it considers that social dialogue should be strengthened and utilised in the formulation of any Community legislative measures in the field of employment and social policy. The Member States should decide for themselves how such measures are implemented. The Opinion concludes that the rights and obligations appropriate to the individual workplace should be decided on the basis of agreement between management and employees at that level.

The Commission has noted the views expressed in the opinion of the Danish Parliament and will take these views into account in the context of the preparation of a follow-up Communication later in 2007 which will address the main policy issues and options identified in all of the responses received. This work will complement the broader range of initiatives on the topic of flexicurity that the Commission is developing in close cooperation with the Member States.