



Modernising Labour Law

The Outcome of the public consultation on the Commission's 2006 Green Paper

HORECA Social Dialogue Committee
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A new focus for labour law?



- Deficit between **existing legal framework & realities of the world of work**
- What role for labour law reform in boosting **flexibility and security**, under **all** forms of contracts?
- How to ensure protection for new contract forms & assist successful labour market transitions, better reconciliation between work & family life, & promote life long learning, creativity and workforce mobility?
- How do Legislators /Governments /social partners test experience of their national labour law, its support for training and its labour market impact?



7 Themes x 14 Questions



- A Flexible & Inclusive Labour Market
- Facilitating employment transitions
- Uncertainty with regard to the law
- **Three Way Relationships**
- Organisation of Working Time
- Mobility of Workers
- Enforcement of employment rights & combating undeclared work



HORECA – *Epitome* of Flexibility



- **Labour Intensive character**
- **Micro-enterprises predominant**
- **Extensive diversity of contract forms**
- **1995 Joint Declaration** - looked to how flexibility and security might be combined.
- **Joint Declaration on EU Enlargement**
non-discrimination in regulations applying to all workers & need for better awareness of rights.
- **Common response on 2006 Year of Mobility** focus on freedom of movement



Outcome of Public Consultation



- **Institutions** – EP, EESC, 25 MS, National Parliaments
- **EU Social Partners** [3 x **Sectoral SDCs**]
- **EU Industry bodies**, NGOs, etc
- **National Social Partners**,
- **National NGOs & regional authorities**
- **Enterprises**
- **Labour lawyers & “Think Tanks”**
- **Individuals**

> 450 responses



Social Partner Responses



- Why public consultation, not Article 138 *social partner* consultation?
- “*The autonomy of Labour Law*”
Instrumental purpose (vis-a-vis Lisbon Strategy, etc) or *sui generis* & based on *Fundamental Rights*
- Too restrictive a focus on individual employment relationship (DGB) ? No justification in bringing collective agreements within scope of debate (ZDB)
- Relevance of “*Insider / Outsider*” dichotomy – do vulnerable workers count as “outsiders”?
- Significance of standard employment contract vis-à-vis diversity of contracts (more flexible work contracts)

continued/



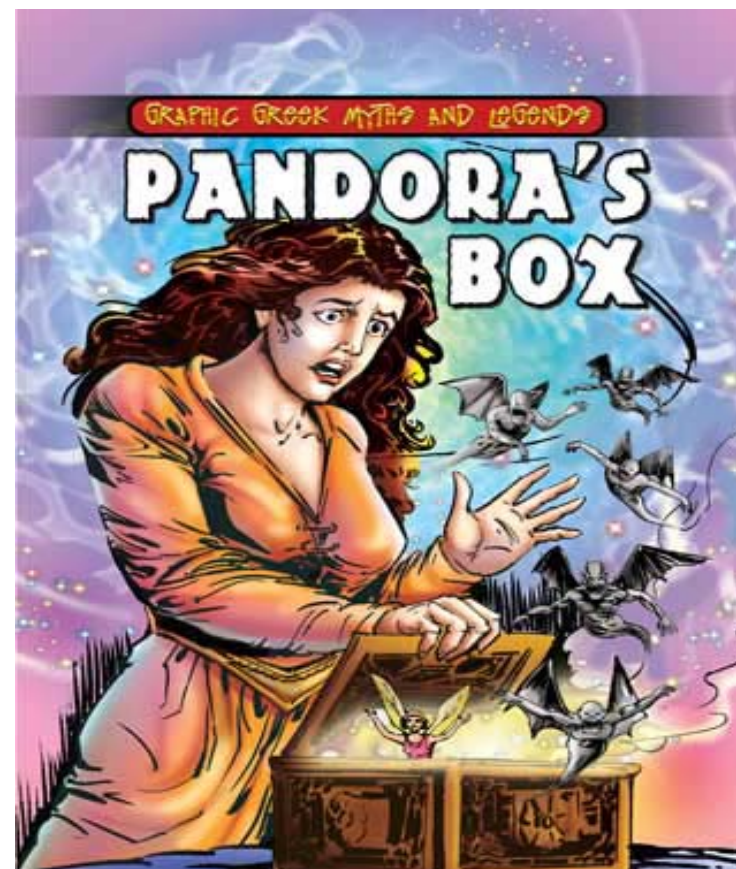
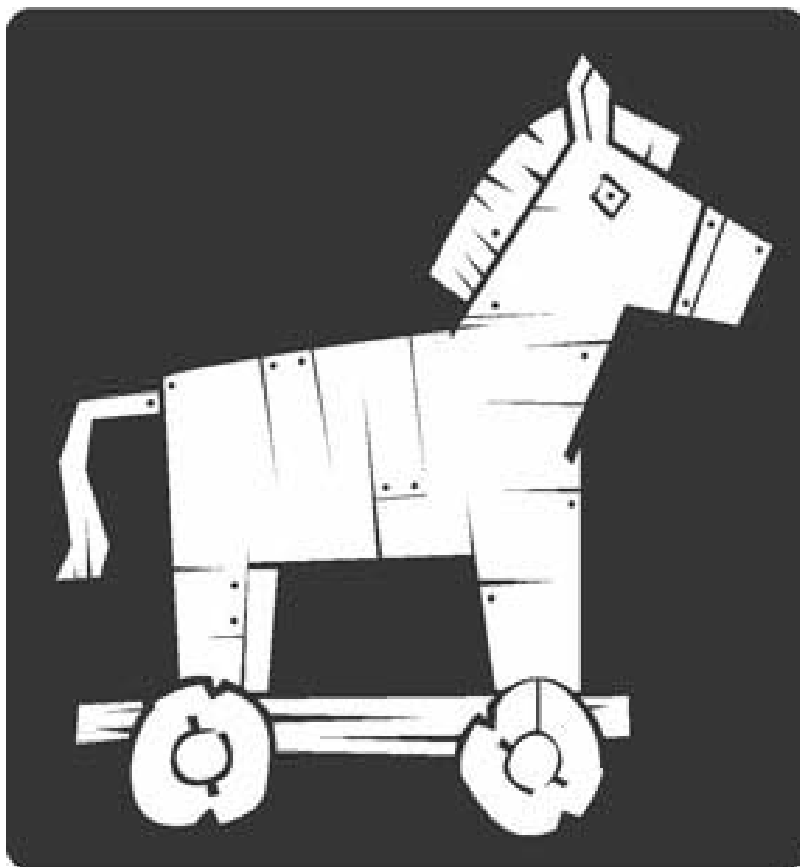
Social Partner Responses (continued)



- Relevance of change in **design/severity of employment protection** measures
- **Labour law & commercial law** codes - respective contract forms should be distinguished
- **Subsidiarity** – shared disinclination for harmonisation of labour rules or framing a uniform Community definition of “worker”
- **Integrity of Industrial Relations** systems – but some *convergence* necessary to achieve a level playing field and to avoid *social dumping*
- Differences in views on “**added value**” of **EU** in promoting labour law reform and setting minimum standards



Divergent Perspectives of Social Partner





Commission Communication

**Towards Common Principles
of Flexicurity:
More and better jobs
through
flexibility and security**

27 June 2007



Integrated Flexicurity Approach

4 policy components

- ***Modern labour law regulating flexible and reliable contractual arrangements,***
- *active labour market policies,*
- *comprehensive lifelong learning strategies*
- *modern social protection systems providing adequate income support during periods of unemployment.*

Integrated Flexicurity Approach

4 typical Pathways as aids to mutual learning

- *Tackling contractual segmentation*
- *Developing flexicurity within an enterprise and offering transition security,*
- *Tackling skills and opportunity gaps among the workforce*
- *Improving opportunities for benefit recipients and informally employed workers*



Follow Up Communication, October 2007



**Communication + Services Working
Document containing summary of
responses**

**Full publication of responses on DG
EMPL website**

**Conclusion of the public consultation
process**



Follow Up Communication, October 2007



Commission does not propose any new legislative initiatives

It encourages social partners to negotiate on life long learning

It identifies areas where there is a need for
**further cooperation,
legal clarity &
more and better information.**



Areas identified for further attention



- **The prevention and combat of undeclared work, especially in cross-border situations**
- **The promotion of training and life-long learning to ensure greater employment security over the life cycle**



Identified Areas (continued)



The interaction between
labour law
&
social protection rules
in support of
efficient labour market transitions
&
sustainable social protection
systems



Identified Areas (continued)



- The clarification of **the nature of the employment relationship** to promote greater understanding and facilitate cooperation across the EU
- The clarification of **the rights and obligations of the parties involved in sub-contracting chains**, to ensure that workers are not deprived of the effective use of their rights.




Next Steps



The Commission considers that the most appropriate avenues for pursuing the issue arising from the public consultation are

- **The national reform process under the EU's strategy for Jobs and Growth**
- **The integrated approach to developing & implementing *flexicurity*-based principles**





**Outcome of the public consultation on
the Green Paper:
Modernising Labour Law
to meet the challenges of the
21st Century**

**For access to the responses see the DG
EMPL public consultation pages**

http://ec.europa.eu/employment_social/labour_law/green_paper_responses_en.htm