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Response to the European Commissions Green Paper on Labour Law

Introduction
The Danish Employers Association for the Financial Sector (FA) is the employer’s organisation for commercial and savings banks, insurance companies, mortgage credit institutes and other business within the financial sector. FA is the social representative of all financial industries in Denmark in the area of labour market relationship and has the membership of 225 firms employing a total number of 65,900 employees in the financial sector.

Answer to the green paper on labour law
FA has first of all the general view that the challenges in labour law of the 21 first century first of all must be dealt with by the partners of the labour market through collective agreements.

During the 20th century Denmark built and developed the Danish model which now is a role model for the flexicurity concept within EU. The Danish model is at this point on as well the European as the global labour market well known and in demand. The reason for that success is to be found in the Danish model securing a balanced consideration to on one hand the employees and on the other hand is in harmony with the companies’ ability to compete.

It is coherent with the fact that focus in Denmark is helping the individual to continue employment also in the long run and not only securing and maintaining the present job.

Mutual need for flexicurity
The Danish financial companies have a need for flexible labour, possibilities to outsource, hire temporary employees and using the principle of franchising etc. The development in the financial sector is dynamic and there must be a very flexible framework for encountering the need of today and future.

On the other hand the employees demand flexibility by asking for flexible working hours, pregnancy leave and children’s leave of sabbaticals, security in employment, holidays etc. In fact we talk about a mutual demand for flexibility.

The combination of collective agreements and an effective social security system has already shown compatible to these challenges.

Conflict solving is a national matter
FA considers it EU’s task to respect and support the national systems of negotiations including an integrated system of conflict solving in the collective agreements as arbitration and the labour courts. These institutions are national matters to which EU can only communicate experiences to, and not control.

Central regulations limit the social partners
Central regulations of working time are not in harmony with EU as an actor in a strongly competitive and globalised world. It is hindering for the ability of the companies to compete and limit the employability of the employees if collective regulations are limited by legislation based on directives.

The regulation of unemployment benefits, initiatives for unemployed and definitions of employees, independent workers and temporary employees is also examples that according to our belief in FA are national matters. The Danish model and more integration projects are good examples of that.

Common level of security is not desirable
National legislation and labour market relations are also very different and more or less integrated parts of their respective societies in the member states so it would be not compatible to create a common level of security.

It is important to keep in mind that security in employment and flexibility are two inseparable concepts supporting each other. Flexibility furthers security and visa versa. They cannot be dealt with individually but are part of the full picture of the labour market which in case of Denmark is regulated by the partners of the labour market.
FA also refers to the response to the Green paper on labour law from the Banking Committee for European Social Affairs.

Yours sincerely

Steen A. Rasmussen