

EUROPEAN ECONOMIC AREA
STANDING COMMITTEE
OF THE EFTA STATES

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**WORKING GROUP ON HEALTH AND
SAFETY AT WORK AND LABOUR LAW**

**Comments by the EFTA Working Group¹ on a Green Paper on
Partnership for a New Organisation of Work**

I INTRODUCTION

1. The Commission adopted on 16 April 1997 a Green Paper on Partnership for a New Organisation of Work, COM (97), 128 final. The purpose of the Paper is to stimulate a debate on a new organisation of work. The focus of the Paper is on three main questions: first, why a new work organisation of work - and how? second, what are the policy challenges required for new forms of work organisation? and third, is it possible to establish a new partnership for a more productive, participative and learning organisation of work?

2. In view of the information and consultation procedures provided for in the EEA Agreement, the EFTA EEA States are pleased to provide comments on the Paper, which covers issues directly linked to the EEA Agreement. Legislation in the area of labour law, health and safety at work and equal opportunities between men and women are covered under horizontal provisions relevant to the four freedoms (Part V, Annex XVIII of the EEA Agreement). In the area of social policy, EFTA-EU co-operation outside the four freedoms is, moreover, covered in Part VI, Articles 78-80 of the EEA Agreement and is also referred to in Article 5, paragraph 1 of Protocol 31 to the Agreement.

3. Following comments made on the Green Paper on Living and Working in the Information Society in end of 1996, the EFTA EEA States will follow with interest discussions on the EU side concerning new forms of work organisation. With the aim of submitting comments on the Green Paper on Work Organisation, the EFTA States are pleased to have had the opportunity to hold an informal information meeting with the Commission on 3 July 1997.

¹ Comprising the delegations of the three EFTA EEA States Iceland, Liechtenstein and Norway

4. While presenting comments on the Paper, the EFTA States look forward to the outcome of the consultation process and in particular to the major European conference on the issue, which is scheduled to take place in the beginning of 1998.

II GENERAL REMARKS

5. The EFTA EEA States welcome the Green Paper which covers important and interesting themes with the aim of increasing productivity, raising efficiency and perfecting product and service quality through a **new organisation of work**. The Commission's initiative to launch a debate on the challenges facing working life in Europe, in particular, the need to be competitive, to meet the requirements of both workers and employers and the demands made by the consumers is appreciated by the EFTA side.

6. One of the main themes tackled in the Paper concerns the question of **how to reconcile security for workers with flexibility for employers**. In the view of the EFTA States any approaches to meeting these new challenges should not be at the expense of the high standards which already exist in the work organisation of the EFTA States. In this context, the EFTA side would emphasise that a more flexible working life should not weaken the protection of workers. In some EFTA Member States, co-operation between management and labour has a long tradition and has contributed to stability and growth. Consequently, a more flexible working life should not undermine the instrument of collective bargaining. Some EFTA EEA States would, therefore, emphasise that the social partners should play a central role when introducing any new arrangements for work organisation.

7. When looking at new organisation of work, the EFTA side would like to mention that the great majority of companies in the EEA EFTA countries are small and medium sized enterprises (SMEs).

III EDUCATION AND TRAINING

8. In considering new organisation of work, developing human resources through **new and more flexible forms of education and training in a perspective of lifelong learning** are cornerstones to enable today's workforce to meet the market demands of tomorrow. The rapid evolution of new and advanced technology will require increased and continuous education at all levels. This should apply to full-time and part-time workers regardless of race, gender, status or disability.

9. A **well and broadly educated workforce** will be able to adapt and interact with new and fast changing information and communication technologies. The EFTA EEA States, therefore, believe that the aforementioned elements are core prerequisites for the realisation of a different, more flexible and more competitive form of a "European" work organisation. Moreover, both are fundamental ingredients for meeting the challenges of a global and more competitive work and business environment.

10. In the view of the EFTA EEA States, a well educated workforce, which is consequently more competitive, will in the end be of mutual benefit both to the individual worker and the employer. In order to ensure that the new and changing skills are made available to the workforce, **close and flexible co-operation between the education system and businesses and organisations** is important.

IV WAGE SYSTEMS

11. In some EFTA EEA States, wage settlement is the responsibility of the social partners and wage fixing is by and large subject to collective bargaining. The system, which has long traditions, has contributed to stability and growth in the economy. In view of the EFTA EEA States, it is important to maintain an open and fair system of wage fixing to motivate the workforce. Consequently, it is necessary that payment systems are adapted to the current pattern of work organisation. In this context, some EFTA EEA States would like to underline that social partners should have the responsibility for adapting the wage system with regard to new work organisation. Given that in practice collective bargaining sets a standard for wages, Norway would like to mention that when employees receive a profit related payment, bonuses should not account for the main part of the remuneration.

V WORKING HOURS

12. Increased flexibility which comes with new forms of work organisation is likely to have an effect on working hours according to the EEA EFTA States. In this context, the EFTA side believes that the welfare of workers and their needs and rights to a life outside of work must be kept in mind as flexibility should not entail insecurity for the worker. Given it may be more favourable for the worker and the company to fix working hour arrangements outside the normal working hours, some EFTA EEA States feel that, in such cases, this should be agreed in a dialogue with the social partners.

VI SOCIAL SECURITY

13. Some EFTA EEA States would agree that a new and more flexible organisation of work is as strong and as good as its weakest link. Seemingly, a new organisation of work would change the structure by degree and challenge the present system of social security. To judge the effects, which these changes will bring on to the social net, would be a very difficult undertaking. In particular, so much depends on the political will to bring about fundamental change "into" the dimension of work.

14. Liechtenstein supports the current level of a system of social guarantees and workplace interaction. It does, however, recognise the possible, reoccurring need for appropriate national adaptations in view of new economic changes and the increasing significances of multilateral social developments and agreements.

15. With reference to the section on “social security”, it is worth noting that the statutory social security system in Iceland consists of a residence based system (basic) and traditional occupational system. The basic system is supplementary to the occupational system. An individual who has e.g. worked part-time or irregular is secured a pension from the occupational system which is topped up by the basic system. This means that the individual is secured a minimum pension through his working life eventhough it has been irregular.

VII HEALTH AND SAFETY AT WORK

16. In some of the EFTA EEA States, labour law, company law, and collective agreements comprise procedures for co-determination, information and consultation in regard to the health and safety at work. In this relation, the workers’ rights are considered important factors, in particular, when it comes to the health of the individual worker and his/her motivation for work. Consequently when introducing new technologies or new production systems, some EFTA EEA States consider it vital that any such action should be undertaken in co-operation with the workforce. According to some EFTA EEA Member States, this would in the end benefit the working environment and the individual employer as a whole.

17. New emerging information and communication technologies are having a tremendous impact on working life and organisation of companies in the European Economic Area. Given that these elements are increasingly demanding more flexibility from workers, some EFTA EEA States would have found it useful if the Green Paper had elaborated more on important issues such as psychological pressures on many groups of workers.

VIII EQUAL OPPORTUNITIES

18. The EFTA EEA States agree that **the question of gender balance should be integrated in all parts of the labour market**. The observation reflected in the section “Mainstreaming equal opportunities policies” of the Green Paper that the employment rate is rising in typical female jobs within the service sector and that women have achieved stronger positions where new forms of work organisation are well developed should, according to some EFTA EEA States, have been subject to further discussions in the Paper. Amongst other things, it should be considered how flexibility can be maintained in the labour market without discrimination and how women’s competence and experience can contribute to a changing working life. Moreover, the EFTA States believe that the tension between women’s desires and ability to participate in the labour market and the risk of discrimination should have been addressed in the Paper.

19. New forms of work organisation hold not only opportunities but also collateral risks for women. In cases of unequal sharing of responsibilities at home, the continuous and increasing demands for a better educated and better trained workforce, as well as rising expectations for higher professional mobility and flexibility, potentially become an obstacle to job opportunities and career advances for, in particular, one gender. Some

EFTA EEA States, therefore, believe some fundamental change of approach is a precondition to the realisation of a new organisation of work. The more traditional division of gender responsibility needs to be adjusted and local and national systems of education and vocational training need to be improved.

IX LABOUR MARKET POLICIES

20. According to the EFTA EEA States, active labour market policies are important to secure employment for people regardless of age, gender, disability or origin. According to Norway and Iceland, special arrangements should be established for the long term unemployed. In this context, so-called “training substitutes” may be an effective measure to upgrade skills of those who are employed while providing someone who is unemployed with an opportunity to enter into working life. A recent Norwegian study on the aforementioned scheme (1997) reveals that the employed participants were to a large extent women with secondary education as their final education and that the unemployed who took part obtained a significant opportunity for finding employment.

21. In this context, the EFTA side would like to mention the Leonardo da Vinci programme, in which the EFTA EEA States participate. This is a very positive initiative as it enables the exchange of young workers, trainees and students with the opportunity to learn about working life in the European Economic Area, which in itself is a valuable factor in an increasingly internationalised economy.

X TELEWORK

22. New emerging technologies allow individuals to perform work from home or on premises other than that of the employer. In this context and in particular from a regional point of view, teleworking can be an adequate alternative as it can create employment for persons or groups of persons who have particular difficulties with participating in a traditional work organisation, e.g. disabled persons. By the same token, teleworking may have some negative consequences, as workers will more or less be permanently situated outside the employers’ premises, which could lead to a situation where employees have less contacts with their colleagues and less of an opportunity to participate in the life of the company. In view of the EFTA EEA States, it is important to be aware of the implications this will have on the individual worker and the company culture as a whole and to ensure that the above mentioned negative effects for the worker is minimised.

XI MARGINALISED GROUPS

23. In general, the EFTA EEA States would like to emphasise the importance of marginalised groups being brought into the focus when discussing new forms of work organisation. Marginalised groups in this context comprise disabled people as well as other groups which have physical or mental problems including the socially deprived and uneducated workers.

24. Given the various problems which make the marginalised groups less competitive and less able to adjust to changes in the market, the EFTA side believes that although it is necessary to profit from the new opportunities available with new forms of work organisation, it is also important to call for particular actions from public bodies in order to integrate such groups into the labour market.

XII IMMIGRANTS

25. In the view of Norway, immigrants constitute a valuable resource for the labour force and to society in general. Today, many immigrants face the danger of marginalisation and exclusion from the labour market, due to discrimination and lack of qualifications in relation to the rapidly developing demands of the labour market. Norway and Iceland believe that measures which counteract discrimination on the basis of race, skin, colour, and ethnic background and the promotion of equal opportunities should be integrated in all parts of the working life. As qualifying newly arrived immigrants for the demands of the domestic labour market poses a challenge to public bodies, Norway believes there is a need for specific actions.

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