

Europe 2020 from Strategy to Action: Ensuring inclusive growth

→ Eurociett's **10 recommendations** to unlock the contribution of the agency work industry to reach the Europe 2020 Employment Targets

As the voice of the agency work industry in Europe, Eurociett views the Europe 2020 Employment targets as central to our priorities.

Eurociett was motivated to produce this memorandum because **the labour market is not functioning as well as it should**. The recent economic crisis has shown that countries with unreformed labour markets fared worse than those which had reformed. Eurociett puts forward its 10 recommendations because of its recognised expertise in the labour market. If the European economy is to grow in line with the Europe 2020 targets then the labour market must seek to address its current limitations.

Agency work can make a positive contribution to the labour market's better functioning and address these limitations. **It is ideally place to boost job creation** and raise the employment level. **Agency work makes the labour market more inclusive**. It employs people diverse backgrounds and socioeconomic groups and plays a role in enhancing the skills of Europe's workforce. Agency work drives employment, job creation, growth and competitiveness. It provides more work opportunities for more people and facilitates the creation of jobs that otherwise would not exist. These are also key elements of the Europe 2020 strategy.

The EU 2020 Strategy needs to deliver concrete results to benefit companies, workers and governments so that labour market participation is promoted and more inclusive while at the same time companies' competitiveness is strengthened.

The impact of the financial crisis means that now more than ever, Europe must get the functioning of the labour markets right through the Europe 2020 employment targets, and the **ten recommendations** overleaf are there to point it in the right direction.

Eurociett Manifesto

Europe 2020
from Strategy
to Action:
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inclusive growth



Implementing effective labour market policies in cooperation with the agency work industry

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Support the role of the Agency Work industry to increasing labour market participation and diversity and access to employment, particularly for young people and long-term unemployed

- *“Agency work offers groups such as students, migrant workers, women returning from childcare breaks, disabled and unemployed people access to the labour market. In principle, agency work can help workers develop their work skills and experience, thereby offering pathways into more secure employment.”*
(Eurofound: TAW and collective bargaining in the EU - 2009)
- Young people under 25 are significantly over-represented among the agency work population: 60% in Portugal, 50% in Poland, 46% in the Netherlands, 34% in Belgium. In the Netherlands, agency workers from ethnic minorities account for 18% of total agency workers population. In Germany, 89% of agency workers were previously in an unemployment situation before temping (student, inactive, registered unemployed).
- When designing and implementing their active labour market policies, EU Member States should consider agency work as a key instrument to reach their targets.

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Secure sustainable flexibility in the labour market by making the most of the agency work’s contribution to flexicurity

- *“Temporary agency work meets not only undertakings’ needs for flexibility but also the need of employees to reconcile their working and private lives. It thus contributes to job creation and to participation and integration in the labour market”*
(EU Directive 2008/104/EC on temporary agency work)
- Agency work contributes to the 4 pillars of flexicurity: flexible & reliable employment contracts, active labour market policies, effective life-long learning and adequate social security systems to secure professional transitions.
- When implementing the flexicurity principles into their labour market policies, EU Member States should recognise and integrate the full potential contribution of the agency work industry.

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Ensure a better match between supply and demand of skills using the mapping and vocational training expertise of the agency work industry

- *“The TAW industry is particularly well fitted to develop training schemes that meet the expectations of both workers and user companies. (...) It is indeed of the interest of the temporary work agencies to develop or upgrade agency workers’ skills and improve their employability in order to facilitate transition between assignments or jobs. (...) Vocational training for agency workers is demand driven and organised in close cooperation with user companies with a short term and pragmatic approach catering especially well to lower skilled workers.”*
(Eurociett/Uni Europa joint declaration on vocational training – 2009)
- Agency work facilitates access to vocational training: In 7 European countries, sectoral bi-partite training funds have been established which provide targeted training schemes for temporary agency workers: In 2008, more than €520 million have been invested in vocational training schemes by these funds.
- In order to increase and improve the role played by agency work in terms of vocational training, funding for training should be simplified for the sector, especially with regards to the European Social Fund and the funds managed by other sectoral training bodies.

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Take advantage of the role of the agency work industry to promote work mobility and secure transitions for inclusive growth

- *“Temporary agency work can at different degrees contribute to creating pathways between unemployment and employment (...), to facilitating the transition between education and work (...) and to smoothing transitions in the labour market. Because of the nature of the temporary work agencies’ business, it is in the interests of these agencies to facilitate transition between assignments and jobs.”*
(Eurociett/Uni Europa Joint declaration on Flexicurity - 2006)
- Agency is a key driver of work mobility contributing to enhanced occupational, geographical and social mobility for workers, thus offering new employment opportunities.
- Restrictions that hamper the transitioning role of agency work (like waiting period between two assignments, prohibitions to offer certain types of labour contracts, sectoral bans, limited reasons on use) should be removed.

Shaping a balanced regulatory environment for the agency work industry

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Recognise and promote temporary agency work as the most secure form of external flexible employment

- *“Agency work is largely a highly regulated industry involving a mix of legislation, collective labour agreements and instruments of self-regulation at national level. (...) In trying to reach a fair balance between protecting agency workers and enhancing the positive role that agency work may play in the European labour market, TAW seems to be at the heart of the flexicurity debate.”*
(Eurofound: TAW and collective bargaining in the EU -2009)
- Agency work represents a flexible form of employment that provides decent and secure employment and working conditions, covering the protection of workers’ rights, the respect of the principle of equal treatment and a commitment to settle employment and working conditions through collective labour agreements (in accordance with national law and practice).
- Member States should favour a full implementation of the Article 5 of the Directive on temporary agency work, which establishes the equal treatment principle and its possibility to derogate by collective agreements or agreement between social partners. They should also recognise that temporary agency work can also be done through permanent contracts.

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Establish a level-playing field for temporary work agencies and ensure that the agency work industry enjoys the freedom to provide services and the freedom of establishment

- *“EU Member States should remove obstacles to the setting up and development of temporary work agencies as effective and attractive intermediaries in the labour market, offering improved job opportunities and high employment standards”*
(EU Employment task force – Kok Report 2003)
- Temporary work agencies are important services providers in the European single market and should be able to offer a broader range of HR services to companies and workers.
- The agency work sector should be included in the scope of the Services Directive when it is revised and its scope of activities should be extended from temporary agency work to permanent recruitment, outplacement, career guidance and training in all EU member States.

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Lift existing, unjustified restrictions to the use of temporary agency work to boost job creation and enhance company competitiveness

- *“Prohibitions or restrictions on the use of temporary agency work shall be justified only on grounds of general interest (...). By 5 December 2011, Member States, after consulting the social partners in accordance with national legislation, collective agreements and practices, review any restrictions or prohibitions on the use of temporary agency work in order to verify whether they are justified (...).”*
(EU Directive 2008/104/EC on temporary agency work)
- Lifting just some of these unjustified restrictions could contribute substantially to job creation and boost company competitiveness. Eurociett research showed that 570,000 additional jobs could be created in just 4 European countries (Belgium, France, Germany and Spain), if two unjustified restrictions are being lifted (sectoral bans and limited reasons for use).
- EU member States should go for a full implementation of Article 4 of the Directive on temporary agency work, reviewing and lifting all the unjustified restrictions on the use of temporary agency work in their country.

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Organise work mobility in a more secure way by facilitating intra-EU cross-border activities of temporary work agencies

- Being specifically covered by the Posting of Workers Directive, agency work helps to manage and organise intra-EU work mobility in a more secure way, particularly by providing a comprehensively regulated format for cross-border work assignments.
- Agency work can contribute to enhancing intra-EU work mobility by facilitating the match of demand and supply of labour across borders and by providing access to employment opportunities in other EU Member States.
- While the posting of Workers Directive does not need to be revised, its implementation and enforcement at national level should be reinforced. Controls and exchange of information between Member States should be strengthened in order to avoid abuses.

Developing a shared commitment for inclusive growth

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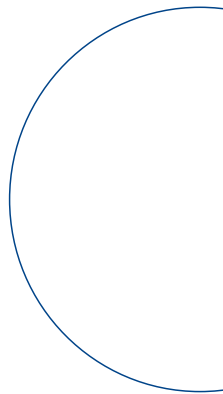
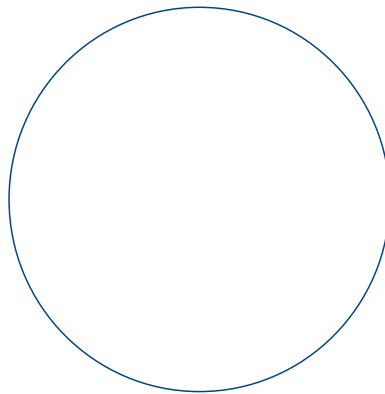
Promote and support public-private partnerships in terms of employment services in order to fight unemployment and promote inclusive labour markets

- “EU Member States should strengthen, with the support of the Commission, cooperation and exchange of experience between public and private employment services, to increase their capacity to deal with the new and large inflow of jobseekers.” (Commission Communication “A Shared Commitment for Employment” – 2009)
- The agency work industry is ideally positioned to support public employment services in implementing active labour market policies. The sector increases transparency in the labour market and efficiently matches supply and demand using its skill assessment tools. It has precise knowledge of labour market needs in real time enabling it to implement rapid actions to address current challenges.
- Governments should place public and private employment services on the same level in terms of contributing to active labour market policies and co-ordinate their complementary strengths and expertise, so as to maximize their combined potential contribution to the labour market..

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Advance the sectoral social dialogue on temporary agency work in accordance with national law and practice

- Eurociett and Uni-Europa agree to “promote sectoral social dialogue at national level: collective labour bargaining is one appropriate means to organise the regulatory framework of the temporary agency work industry.” (Eurociett/Uni Europa Joint declaration on Flexicurity - 2006)
- At EU level, Eurociett and Uni-Europa are committed to a fruitful and constructive sectoral social dialogue. Joint research has been carried out on access to vocational training (2008), TAW regulation (2005 & 2008) and cross-border activities within the temporary agency work industry (2009). Joint Declarations have been signed on Flexicurity (2007), the Agency Work Directive (2001 & 2008) and vocational training (2009).
- Agency work should be recognised as a sector on its own. It should have the freedom to establish its own sectoral social dialogue at national level and to negotiate conditions of use of temporary agency work.



About Eurociett

Eurociett is the authoritative voice representing the interests of the private employment agencies in Europe and is the official social partner for employers in the temporary agency work sector within the framework of the European Social Dialogue. It is recognised as such by the EU institutions (Commission, Parliament, Council) as well as by key European stakeholders (e.g. UNI-Europa, ETUC, BusinessEurope, NGOs).

Eurociett is the only association representing agency work at large (brings together 27 national federations accounting for more than 90% of the organised agency work sector in Europe) and in its diversity (uniting six of the largest multinational staffing companies as well as tens of thousands of SMEs). Eurociett members consist of private companies operating in the following HR fields: temporary agency work, permanent recruitment, interim management, executive search, outplacement and training.

Eurociett promotes the contribution of millions of agency workers to our economy. Representing a well-regulated industry, members of Eurociett refuse to compete at the expense of workers' rights and work hand-in-hand with governments to fight illegal work and social dumping.

Through their network of 30,000 branches and their 250,000 permanent employees, Eurociett members employ more than 3 million workers (full time equivalent) on a daily basis and more than 10 million on a yearly basis.

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