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Seminar: Current Employment Issues

The Diversification of Forms of Employment

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Look at our world challenges!

Enhanced Competition

Demographic Changes

Privatisation Individualisation

**Labour
markets**

**Financial
pressure**

**Release the
pressure?**

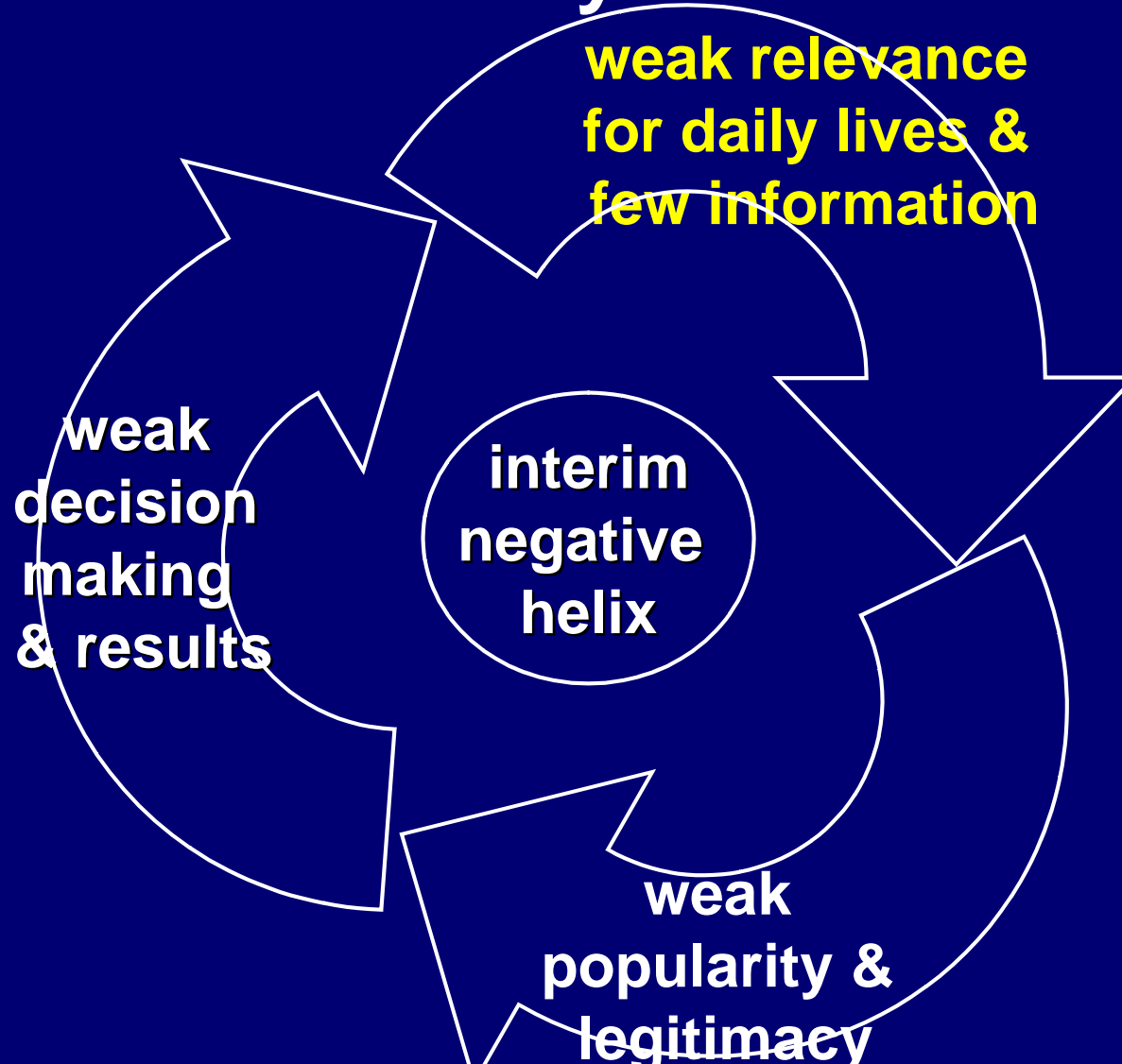


Demographic change

- Demographic change is a world phenomenon
- Labour force increase: after opening of China, India, Soviet Union → from 1.5 to 3 Bio. possible workers
- China & India represents 35% of world population (2,4 Mia.) and 10-20% world economic growth
- Education & Research: 700.000 Indian & 550.000 Chinese engineer scientists p. a. (three times more than in the U.S.A.)
- In a nutshell: **demographics is both, a chance & a risk**



Three reasons why the EU is in a crisis





**Diversity of
languages**

**Diversity
of cultures**

History:
1. Humanism
2. Enlightenment

**Europe might not
evoke strong
emotions, but it offers
great tangible
advantages, such as:**

- **Single Market:
5.700 € more per house-
hold within 10 years**
- **Microsoft fined
by 497 Mio €**
- **Liberalisation of air
traffic**



The Lisbon strategy: What? How? & Who?

WHAT?

1. Create more & better jobs
2. A more attractive place to invest & work
3. Knowledge & innovation for growth

**WHO? Member States
are the Actors**

HOW ?

- National target
- Benchmarks
- Indicators

Source: Seppo Määttä, Managing Director, Talent House Consultancy, Finland



Fist conclusions

- **“Coordination failure”**: the *Open Method of Coordination* is inappropriate
- **“Naming & shaming”** of poor performing countries: rejected by the EU Commission
- **Evaluation for national reporting must further be simplified**



First conclusions (2)

- **Who reads the “National Reform Programmes” ..? Start an efficient communication strategy!**
- **Abolish obstacles for modern forms of employment**
- **Selective immigration policy to meet *shortages***



Significant changes labour markets

- Full-time, open-ended employment contract
- New forms of employment contracts
 - Part-time contract
 - Fixed-term contract
 - Temporary Agency Work contracts
 - Consultancy arrangements / Freelance
 - Home worker
- Self-employment
- Clandestine work / informal work



EU Law on Employment Contracts

- Directive 91/533/EEC – Employment contracts
- Directive 97/81/EC – Framework agreement on **part-time** concluded by UNICE, CEEP and ETUC
- Directive 99/70/EC – Framework agreement on **fixed-term** work concluded by ETUC, UNICE & CEEP
- **Temporary** work: directive proposal still pending



Part-time Work

- Market share: ca. 18% of EU working population
- **In Malta: ca. 8,6 % of working population**
- Highest coverage: NL, UK, SE, DK, DE
- Profile of part-time worker: largely women
- Advantages: work-life balance, less health problems
- Disadvantages: less training, inferior career opportunities, less pay, less social protect. benefits
- Ca. 14% of part-timers would prefer to work full-time



Temporary Agency Work

- **Market share: 3% in NL, 2.45% in FR, 1% in DE**
- **Profile of part-time worker: young, lower education level**
- **Advantages: gain more working experience**
- **Disadvantages: less training, inferior career opportunities, less pay, less social protection benefits**
- **Uncertain if Temporary Agency Work lead to more permanent forms of employment**



What Messages to bring Home?

- **Only part-time contract, fixed-term employment and working time are legislated by EU Directives**
- **The basic legal idea on new forms of employment: no discrimination on the basis of *part-time, fixed-term or temporary worker* status**
- **No evidence that new forms of employment trigger a significant increase in employment**

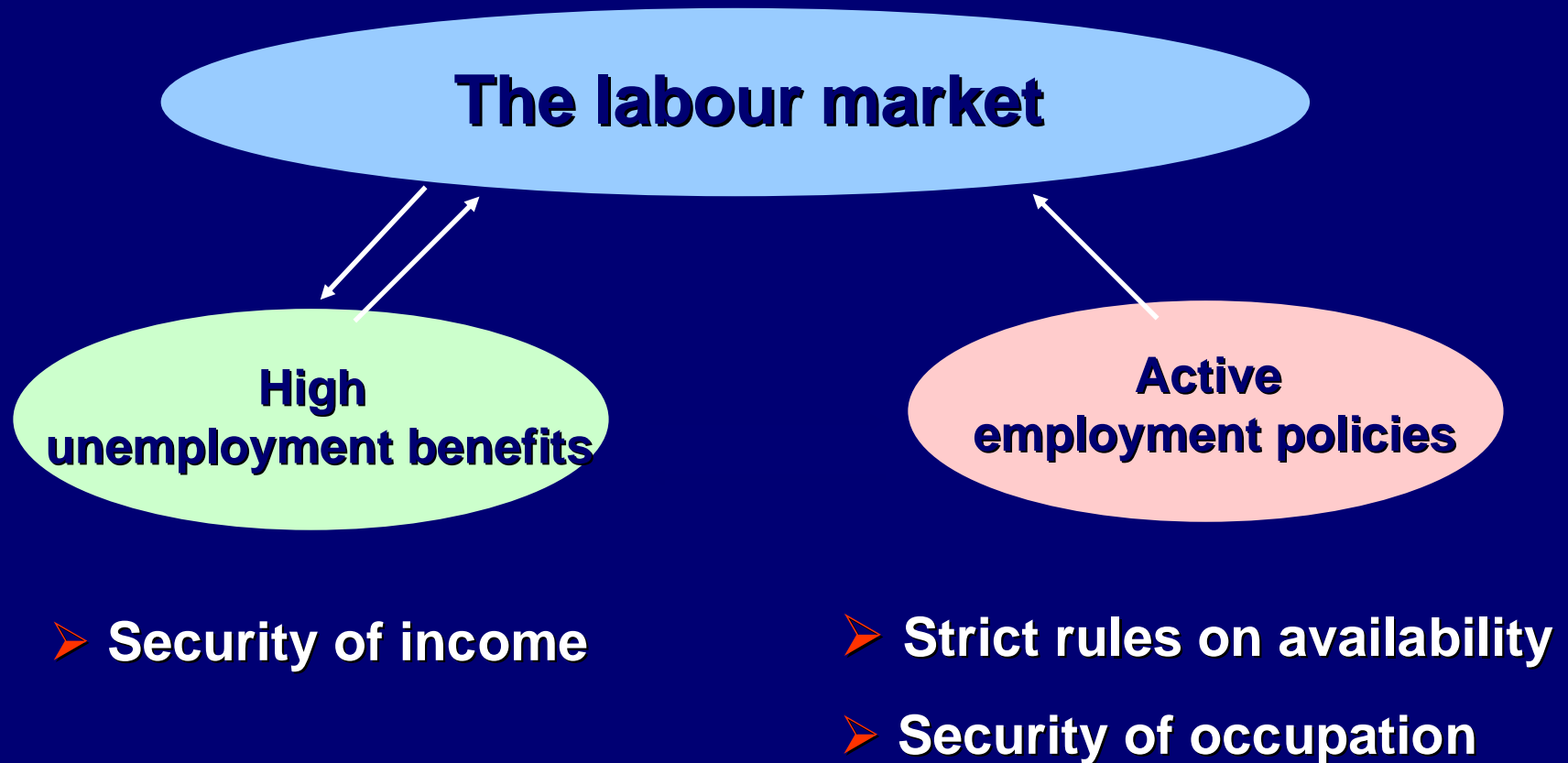


What further Messages?

- **There are indicators that new forms of employment lead to lower pay and poorer working conditions**
- **New forms of employment may be:**
 - **the alternative to unemployment**
 - **tools for promoting flexible labour markets**
- **Need to develop a *European labour market* ...
... step by step**



The Danish Flexicurity Model





“The digital era is more about new ways of doing things than about IT itself. The value of IT is unlocked only when supported by substantial investments in new working practices and organisational structures.”

**Conclusions of the Irish government report
‘Learning to innovate’ (Jan. 2005)**

**“I don't like to work.
Nobody likes work.
But what I do like in working
is the possibility *to find myself in it.*”**

Joseph Conrad, British novelist



Further useful information:

- EU Labour Law Documentation (DG Employment)
http://europa.eu.int/comm/employment_social/labour_law/documentation_en.htm
- Lisbon Strategy: Progress Report EU Commission
http://ec.europa.eu/growthandjobs/annual-report_de.htm
- Eurofound Dublin: Improve. of Working Conditions
<http://www.eurofound.eu.int/index.htm>
- EURES (Job mobility website): 'finding a job abroad'
Opportunities in tourism, services & seasonal work
<http://europa.eu.int/eures>
- Finland's EU Presidency
http://www.eu2006.fi/en_GB