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Study to support impact assessment on the review of the written statement directive

Directive 91/533/EEC - LOT2 : final report

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STUDY TO SUPPORT IMPACT ASSESSMENT ON THE REVIEW OF THE WRITTEN STATEMENT DIRECTIVE

DIRECTIVE 91/533/EEC – LOT2

FINAL REPORT

19th December 2017

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1. INTRODUCTION

1.1. Purpose of the report

This document serves as the Final Report for the "Study to Support Impact Assessment on the Review of the Written Statement Directive (Directive 91/553/EEC)." It relates to tender no. VT/2016/062 in the framework of the Multiple Framework Contracts for the provision of services related to evaluation, evaluative studies, analysis and research work, including support for impact assessment activities (Lot N°2).

The study is implemented by PPMI, as the consortium partner leading the overall study, together with the Centre for Strategy and Evaluation Services (CSES) as the co-leader of the research and reporting.

1.2. Subject and contents of the study

In the intervening period since the adoption of the Directive in the early 1990s, a number of issues have arisen, including a significant increase in the new forms of employment, as well as concerns about the timeframe of employee notification, the content of information provided and other issues. The Commission seeks to understand these issues better and to gather sufficient evidence to undertake an impact assessment to thoroughly examine various options relating to the Directive's possible future revision. This study provides evidence on the issues identified to support the impact assessment of the review of the Directive in order to ultimately improve the protection of workers across the EU.

The report includes:

- Analysis of the problem definition (section 2)
- Analysis of the objectives (section 3)
- Analysis of the policy options (section 4)
- Analysis of the impacts of the policy options (section 5)
- Analysis of the overall impacts of the policy options (section 6)
- Comparison of policy options (section 0)
- Monitoring and evaluation arrangements (section 8)
- Analysis of different worker categories coverage under the Directive (section 9)
- Employer survey questionnaire (section 10)
- Methodology summary (section 11)
- Comparison of costs to employers: SME v large firms (section 12)
- Approach used to estimate atypical workers (section 13)
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- Key differences across the surveyed countries – summary of results (section 16)
- Note on data and calculations (section 17)
- References (section 18)
- Abbreviations used (section 19)

1.3. Methodology followed

The purpose of the study is to support an Impact Assessment (IA) on the five options and sub-options set out in the Terms of Reference, including a baseline option and non-legislative actions. On that basis, we followed a series of Research Questions (RQs) related to the seven Key Questions in the Better Regulation Guidelines on Impact Assessment.[1] However, greatest emphasis was placed on Key Questions 5 (impact analysis) and 6 (comparison of options), since the current situation (problem definition) has already been the subject of a REFIT evaluation and the options have already been specified by the Commission.

Table 1 Research Questions

Key Question 1: What is the problem and why is it a problem?
1.1 What is the level of compliance by employers with the current Directive?
1.2 What costs do employers face in complying with the current Directive?
1.3 To what extent as the current Directive achieved the intended effects?
1.4 How effective have redress and sanction mechanisms been?
1.5 Across the EU-28, how many workers are in the categories covered by Option 1?
1.6 In each Member State, which categories of casual/atypical worker are most relevant to any revision of the Directive, given: i) their numbers; ii) their rights (or lack of) under current legislation; iii) their current contractual situation and vulnerability?
1.7 Does the national legislation offer more favourable provisions than the WSD (reference to Articles 2 to 8)?
1.8 Have Member States extended the provisions of the current Directive to the main types of casual/atypical workers in categories covered by Option 1 (and thus also those listed in Article 1.2)?
1.9 What have been the effects of such an extension for the main types of workers?
1.10 Have Member States extended basic rights (listed in Option 5) to casual/atypical workers?
1.11 What have been the effects of such an extension?
1.12 Have Member States required the basic rights (listed in Option 5) to be attached to all employment relationships?
1.13 What have been the effects of such an extension for the main types of workers?
1.14 What is the labour market situation for the main types of workers that: i) are not covered by the WSD; and ii) do not have the rights listed in Option 5?
1.15 Given the current labour market situation and the legislative framework in EU-28, how might the baseline scenario develop over time in terms of: i) number of workers in the main types of workers in categories covered by Option 1; and ii) the working conditions of such workers?
Key Question 2: Why should the EU act?
2.1 Does the Treaty provide the EU with the authority to act? (e.g. Treaty references to the internal market, level-playing field, mobility of workers, harmonising and improving working conditions, posting of workers)
2.2 Given the current labour market situation and the legislative framework in EU-28, can the objectives be achieved by Member State action alone? If not, can the objectives be achieved more effectively by action at EU level?
2.3 What are the points of convergence or divergence between a potential revision of the Directive and other policy proposals in the context of the European Pillar of Social Rights?
Key Question 3: What should be achieved?

[1] SWD(2015) 111 final, Better Regulation Guidelines, Chapter III.

3.1 What should be the objectives of any revision of the Directive?
Key Question 4: What are the various options to achieve the objectives?
4.1 What are the legislative options for revising the Directive?
4.2 Are any non-legislative actions possible?
4.3 Should the repeal of the Directive be considered, e.g. in light of the problem definition?
Key Question 5: What are their economic, social and environmental impacts and who will be affected?
5.1 What are the causal chains by which the intended effects will come about?
5.2 What would be the economic and social impacts of each option on workers?
5.3 What would be the economic and social impacts of each option on employers?
5.4 What would be the impacts of each option on fundamental rights?
5.5 What would be the legal impacts of each option and the costs to public authorities?
Key Question 6: How do the different options compare in terms of their effectiveness and efficiency (benefits and costs)?
6.1 What combinations of options ("scenarios") would be most relevant?
6.2 What are the criteria for comparing different policy options (linked to the objectives)?
6.3 What are the indicators to measure performance and progress towards the declared objectives?
6.4 Using the criteria, how do the options compare in terms of their effectiveness against the objectives?
6.5 How do the options compare in terms of their efficiency, i.e. costs versus benefits?
6.6 What is the overall efficiency and effectiveness of different combinations of options?
6.7 How do the options compare in terms of their coherence with the over-arching objectives of EU policies?
Key Question 7: How will monitoring and subsequent retrospective evaluation be organised?
7.1 What indicators are required for monitoring and evaluation purposes?
7.2 What additional data will need to be collected for monitoring and evaluation purposes?
7.3 How will additional data be gathered and by whom?
7.4 Do the necessary monitoring and evaluation mechanisms exist or will new capacity be required?

2. PROBLEM DEFINITION

2.1. What is the problem?

Regulatory Fitness and Performance (REFIT) evaluation has identified several factors hampering full effectiveness of the Directive:

- The Directive does not cover all workers in the EU as it allows exemptions for employment of less than 8 hours a week or with a total duration not exceeding one month; as well as the employment relationships of a casual/specific nature. In addition, it does not provide a definition of 'a paid employee,' creating a 'grey' area between self-employment and subordinate employer-employee arrangements. As a result, many groups of workers are not covered by the Directive.

- There is also a lack of clarity in whether some categories of workers (e.g. domestic workers) or some new forms of employment (e.g. on-call work or ICT-based mobile work) are covered by the Directive or not.

- The enforcement of the Directive could be improved by regulating the means of redress and sanctions in cases of non-compliance.

- The two-month deadline for providing a written statement is not supporting the objective of increasing transparency, which may increase the potential for undeclared work or abuse of employee rights.

These conclusions were confirmed by our study. More details can be found in section 2.3 Problems arising. Our research showed that:

- There are currently many workers who do not receive a written statement due to the exemptions that are specified in the Directive. The interviewed national representatives of employees and employers almost unanimously agreed that the Directive's requirements constitute the absolute minimum of information and rights which should be provided to all workers irrespective of their employment type. As indicated in the REFIT study, not knowing the basic information about their working conditions makes such employees more susceptible to exploitation by employers.

- In addition, due to the ineffective enforcement mechanisms, there is a significant number of workers in bogus self-employment. However, compliance of employers with the law is a matter that can be addressed only by stronger enforcement (e.g. through labour inspectorates) in each Member State.

- Opportunities for redress depend on the judicial system of a country and in particular on the accessibility of courts and dispute resolution mechanisms for employees.

- A two-month deadline to provide a written statement was seen as too long by many stakeholders and national experts and increases the likelihood of undeclared work or abuse of workers' rights. Some interviewees pointed to the potential risk of employees never receiving their written statement if they are frequently changing work arrangements. Most

Member States have reached a consensus over a two-month period as being too long and detrimental to the labour market. Thus far, 23 Member States have already set a shorter than two-month deadline for information provision.

- The 'information package' prescribed by the Directive (i.e. the list of items under Article 2(2) of the Directive) is seen as quite effective by many stakeholders. Nevertheless, there are still a few problematic areas related to this package. As indicated by the national experts who were consulted for the purpose of this study, in the age of intensive labour migration between the EU MS, the standard package of information prescribed by the Directive is not sufficient any more. Namely, the high number of lawsuits related to the termination of contracts shows that workers might lack comprehensive information about the applicable national law. Most migrant or low-skilled workers lack information about the social security system to which the employer is contributing to. This leads to poor social protection of such workers. Finally, the most pressing issue, as indicated by the national experts, is the lack of information about precise working time.

- The current Directive does not correspond to the needs of atypical employees, with casual workers being the most vulnerable and in need of protection. The information requirements that are stated in the Directive can no longer guarantee the basic rights for casual workers. Their vulnerability derives from the very flexible nature of their work and working time: varying number of hours worked, absence of a reference period in which working hours may vary and very short notice for the start of work. Poor working conditions are amplified by some casual workers having exclusivity clauses in their contracts. Having no right to request a more standard and full-time form of employment (with the associated greater regularity of working hours, steady income, etc.) leads to casual workers being trapped in poor working conditions.

- All these problems create negative socioeconomic effects. Casual, atypical work is characterised by poor social protection, little or no access to benefits, little job security, no predictability, less job satisfaction, lower wages and worse health than is available to other employees. Furthermore, as the extent to which atypical forms of employment are actually covered by the scope of the Directive varies greatly between countries, this leads to fragmentations in the labour market across the EU, lower level of transparency and barriers to the free movement of labour in the EU.

The identified problems are summarised in the problem tree below.

Figure 1 Problem tree

Source: Own CSES PPMI research

2.2. What are the problem drivers?

Section 2.2 examines the current situation in relation to the current Written Statement Directive. Section 2.2.1 analyses workers engaged in new and atypical forms of employment, section 2.2.2 examines basic rights of workers whose working time is very flexible, while section 2.2.3 analyses the current situation of other aspects of the Directive (information package, redress and sanction and the deadline for the written statement provision).

2.2.1. Workers engaged in new and atypical forms of employment

This section examines the extent to which workers with new and atypical forms of employment are covered by the Written Statement Directive. Sections 2.2.1.1and 2.2.1.2 define the types of workers that might not receive a written statement. Sections 1.1.1.1 to 2.2.1.11 then present data regarding the number of each type of workers as well as evidence of whether they are covered by the Directive or not.

2.2.1.1. Key groups of new and atypical workers

According to Article 1, the Directive 'shall apply to **every paid employee having a contract or employment relationship** defined by the law in force in a Member State and/or governed by the law in force in a Member State.' Article 2 then allows Member States to exclude certain types of employees from the scope of the Directive.

On that basis, only five types of employee can be said to (legally) fall outside of the scope of the Directive, i.e. those:

- **not having a contract** or employment relationship, as defined by national law;
- whose contract or employment relationship **does not exceed one month**;
- working **fewer than 8 hours per week**;
- whose contract or employment relationship is of a **casual nature** (where the non-application is justified by objective considerations); and
- whose contract or employment relationship is of a **specific nature** (where the non-application is justified by objective considerations).

However, Member States may choose to extend the provisions of the Directive to such employees anyway.

Since the entry into force of the Directive, many new forms of employment have developed and it has been identified that many of them fall outside the scope of the current Directive.

In addition, some employees might not receive a written statement because their employer is not compliant with the law in force in the Member State. This might arise in two cases:

- the employer has not provided a contract, although is required to do so under national law, e.g. undeclared work, illegal self-employment;
- the employer has provided a contract, but not a (fully compliant) written statement.

Such cases relate to *enforcement* of Member State law rather than coverage and are therefore not considered in this section of the report.

In the rest of this section, we present evidence regarding the types of workers that fall into the five categories presented above.

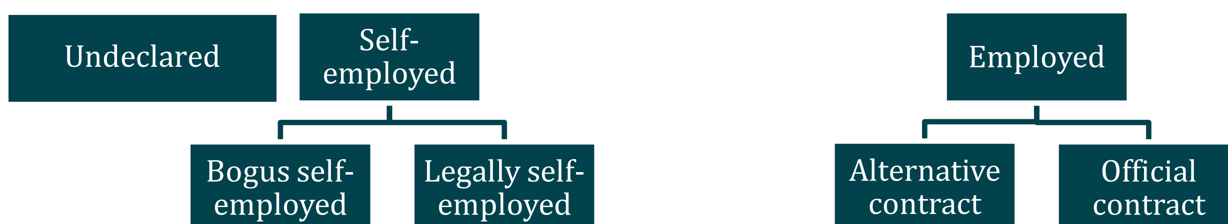
2.2.1.2. Different types of contracts and their level of coverage by the WSD

Three main categories can be distinguished when reviewing the type of employment of a worker in law for the sake of this study. The person can be **in an employment relationship** (and could be covered by the WSD), the person can be an **undeclared worker** (outside the scope of the WSD) or the person can be **self-employed** (outside the scope of the WSD in most cases).

The self-employed category can be divided between those workers who are genuinly self-employed and those workers who have a contract to provide services as a self-employed person, but the type of relationship between the two parties reflects an employment relationship. This is called bogus self-employment. Bogus self-employment is only relevant for this study in as far the national definition of bogus self-employment differs from the EU definition and therefore the application of the EU definition would impact the amount of bogus self-employed people who should have been considered employees.

The category of workers in an employment relationship can also be divided into two groups. On the one hand, there are the workers who have an employment contract or employment relationship in accordance with national law. On the other hand, there are several types of alternative agreements which are employment related, but do not constitute a formal employment contract.

Figure 2 Distribution of workers in law



Source: Own CSES PPMI research

For many atypical workers who are employed, their coverage by the Written Statement Directive depends on whether they have an alternative contract or an official employment contract as defined by national law. Their form of employment may not exist in the labour laws of a country, so they are not automatically recognised as an 'employee' according to the respective labour code.

These alternative contracts can take different forms and are covered by different regulations depending on each individual Member State. For example, in Slovakia and Czech Republic, the 'Work Agreement' is an often used type of contract which indicates that the worker is employed under the labour code, but does not give the worker 'employee' status according to the WSD and the national law. Therefore, the workers are excluded from benefits such as the written statement.

> 'Agreements to perform work' contain basic information about the job/task to be performed, but are not required to contain all information of the WSD.
>
> *Czech Republic*

In Hungary, there is a labour law regulation allowing for 'simplified employment and occasional work relationships' which are part of the labour code, but are excluded from several (standard) employment privileges, such as the information of the WSD or the right to a maximum probation period.

In law, and regarding coverage by the current Directive, the workers can be classified as follows:

Table 2 Types of worker NOT receiving a written statement

	Workers NOT receiving a Written Statement		
	Not having an official contract or employment relationship, as defined by Member State law	Having a contract or employment relationship, as defined by national law but excluded by Member State law	Having a contract or employment relationship, as defined by national law and covered by the Written Statement Directive
Legal situations	• Workers subject to alternative work agreements.	• < one month • < 8 hours per week • Casual nature* • Specific nature*	N/A
Illegal situations	• Undeclared work • Bogus self-employment	N/A	• Written Statement not provided or not fully compliant

* defined by the Member State and justified by objective considerations

Source: Own CSES PPMI research

Aside from the workers who can be categorised according to figure 1, and Table 3 there are still several situations across the EU where a **'grey zone'** exists. This means that the type of agreement or contract is unclear to such an extent that it cannot be easily decided whether the worker is employed or bogus self-employed. For example, because the contract type does not exist in law and is drafted by the parties in a free form.

These situations may bear many similarities to an employment relationship or an alternative work agreement, but are not formally defined as such. As a result, they can be the subject of debate and legal challenge. In these cases, the question at stake is not whether the contractual arrangement is legal but whether it is appropriate to the relationship in question.

In some cases, such a contractual arrangement can amount to 'bogus self-employment.' This refers to a situation in which a person fulfils all the criteria of an employee but legally is self-employed. This may be the free choice of the individual or a condition imposed by the 'employer.' Bogus self-employment can put dependent workers in fragile working conditions without the protection they should be entitled to. For example, they are excluded from the provisions of the Directive.

The following table shows what these 'grey zone' contracts can look like and indicates as well certain examples of bogus self-employment. The position of bogus self-employment is clear, namely there is a contract drafted outside the scope of the labour law, which should have been drafted within the scope of the labour law. For some of the other contracts mentioned, it is unclear whether they constitute bogus self-employment, legitimate self-employment, alternative work agreements or another form of agreement.

Table 3 Examples of contractual arrangements not covered by labour law.

Country	Example	Number of workers
BG	**Civil Law contracts**: some workers on civil contracts (arranged in the civil law) could be defined as bogus self-employed, since the provision of services based on civil law indicates two equal parties without the hierarchic relations seen in employment.	22 900
EL	**'Quasi-self-employment'**: the category of quasi-self-employment or quasi-dependent employment is not statistically distinguishable from the traditional solo self-employment or own account self-employment. It conceals dependent employment and has developed as a way for very small firms to circumvent labour regulations on overtime hours, security provisions as the self-employed were until recently excluded from union contracts and employment legislation. This form of self-employment involves self-employed workers providing services to a single employer in a continuous manner. Quasi self-employed, even though working for an employer, are themselves responsible for paying social insurance contributions and taxes.	No data available
IE	Two new definitions have been introduced into Irish law by the Competition (Amendment) Act 2017. These definitions apply only in the context of rights to engage in collective bargaining, and not to workers in a general sense. They are, however, examples of how definitions of 'employee' might be expanded in the future. **'False self-employed worker'** (see Court of Justice decision in FNV Kunsten (Case C-413/13): (a) performs under a contract the same activity or service as an employee of the other person, (b) has a relationship of subordination in relation to the other person for the duration of the contractual relationship, (c) is required to follow the instructions of the other person regarding the time, place and content of his or her work, (d) does not share in the other person's commercial risk, (e) has no independence as regards the determination of the time, schedule, place and manner of performing tasks (f) for the duration of the contractual relationship, forms an integral part of the other person's undertaking A **'fully dependent self-employed worker'**: (a) performs services for another person under a contract (whether express or implied, and if express, whether orally or in writing), and (b) main income in respect of the performance of such services under contract is derived from not more than 2 persons.	No data available
IT	Istat defines workers as 'bogus self-employed if their work features three conditions: • they are required to work at the premises of their 'employer/client, • they cannot autonomously decide their working time, • they work for a single employer client, Certain types of self-employed persons have been defined by Istat as bogus self-employed:	

Country	Example	Number of workers
	Co-ordinated workers relationships (total 242 000, of which 108 700 defined as bogus self-employed)	108 700
	Self-employed as own-account workers (total 1 286 000, of which 42 010 defined as bogus self-employed)	42 010
	Casual self-employed workers (total 130 000, of which 69 300 defined as bogus self-employed)	69 300
PL	**Contract of mandate, task-specific contract, managerial contract, mixed form, other civil law agreement** Based on the COS data, 3.7% of all employed persons worked in forms of employment other than an employment contract. Contract of mandate is a form of contract that is most often used to replace an appropriate employment contract. Classic civil contracts are much more common in legal transactions than bogus ones. **Unnamed civil law contracts**: some people are employed on this form of contract without having to specify the number of hours worked or days in the month. They are excluded from protections, such as those offered by the Directive.	3.7%
PT	'**Economically dependent independent workers**': to fight against bogus self-employment, the legislator applies the definition of 'economically dependent independent workers': independent workers who obtain from a single contracting entity 80% or more of the total value of their annual income. Nevertheless, this situation can cover genuine as well as bogus self-employment. There are specific rules to protect them for social security purposes. A new law 55/17 (published 17-07-2017) deepens the legal regime of the special action to recognise the existence of a contract of employment and extends the procedural mechanisms to combat bogus self-employment and undeclared work.	25 361

Source: Own CSES PPMI research

For each category of atypical workers, the level of coverage is divided over three categories: 'Yes,' 'no,' or 'possibly.'

Where the country falls under category 'yes,' this means that in principle all workers of that category have the right to a written statement according to the laws of the respective country. If a country falls under the category 'no,' it means that in principle there is no legal ground obliging employers in this country to provide a written statement to this type of employee. However, employers may still do so in practice.

The last category of 'possibly' indicates that the right to a written statement for a specific employee depends on their employment relationship. Many countries have indicated that atypical work is not specifically regulated in labour law. Therefore, whether or not such an employee receives a written statement must be viewed on an individual basis, evaluating whether such an employee has an employment contract or not.

A summary table of different worker categories coverage by the Directive can be found in Annex 1.

2.2.1.3. Domestic workers

Definition/description:

The ILO defines 'domestic work' in Article 1 of the Domestic Workers Convention, 2011 (No. 189):

a) the term 'domestic work' means work performed in or for a household or households;

b) the term 'domestic worker' means any person engaged in domestic work within an employment relationship;

c) a person who performs domestic work only occasionally or sporadically and not on an occupational basis is not a domestic worker.

Domestic workers are persons engaged in household services such as childcare, care for the elderly or disabled, housekeeping, gardening, car services or guarding a house via a formal or informal (undeclared) employment relationship. They can be nationals of the country or immigrants, can have varied working conditions, and might be living within or outside the household.

As highlighted in the Commission's recent analytical document, a common characteristic of much domestic work is the lack of a formal employment contract and a resulting insufficient protection of working conditions.[2] The analytical document quotes evidence from the European Federation for Services to Individuals (EFSI), which shows that, in 2010, the share of informal work in the market for personal services was 70% in Italy and Spain; 50% in the United Kingdom; 45% in Germany; 40% in the Netherlands; 30% in France and Belgium; and 15% in Sweden.[3]

Number of workers

Methods of estimating the number of domestic workers vary between Member States. However, where data are available, they are presented in the table below. Although gathered from different source using different definitions and methodologies, the data show that domestic workers constitute between 1-9% of all workers in most Member States. It must be noted that the real numbers including informal domestic employment and undocumented migrant domestic workers can be expected to be much higher.[4]

The number of domestic workers has been estimated using the following sources of information:

- Eurostat – Labour Force Survey (EU LFS) which provides information on the number of workers employed.[5]
- ILO statistics – The ILO carried out a study on domestic work which provides extensive information on the share of domestic workers out of the total employment population.[6]

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[2] Second phase consultation of Social Partners under Article 154 TFEU on a possible revision of the Written Statement Directive (Directive 91/533/EEC) in the framework of the European Pillar of Social Rights {C(2017) 6121 final}.

[3] European Federation for Services to Individuals (2015), Invisible jobs domestic workers, European Parliament briefing.

[4] Decent Work for Domestic Workers. The state of labour rights, social protection and trade union initiatives in Europe. An ACTRAV/ITC-ILO report realised in cooperation with ETUC and EFFAT (2012).

[5] lfsa_egan2.

[6] ILO (2013), Domestic workers across the world: global and regional statistics and the extent of legal protection/International Labour Office, Appendix II: table A2.1.

The total number of domestic workers has been calculated by multiplying the number of workers by the percentage of domestic workers out of total employment provided in the ILO study. Where available, this number has been triangulated with the estimates collected at national level. The average of these two methods was taken to estimate the total number of domestic workers. In case of missing data (e.g. Estonia and Sweden) the average number of domestic workers across EU-28 (provided in the ILO study) was multiplied with the total number of workers provided by the Labour Force Survey from Eurostat.

Table 4 Estimated number of domestic workers

Country	ILO study	National research	Estimated population
	Share of domestic workers in total employment	Percentage of employees	No. of workers (in thousands)
AT	0.2%	5% of employees*	132.8
BE	0.9%		40.9
BG	0.2%	1% of workers*	16.0
CY	4.4%	5% of workers*	15.5
CZ	0.1%	1% of employees*	23.4
DE	0.5%	1% of employees	282.0
DK	0.1%		2.7
EE			5.0
EL	2%	3% of employees*	72.2
ES	4%	4% of employees	666.9
FI	0.3%		7.1
FR	2.3%	2% of employees*	534.4
HR	0.1%		1.8
HU	<0.1%		8.7
IE	0.5%		9.8
IT	1.8%	5% of employees*	629.8
LT	0.1%		1.3
LU	1.4%		3.6
LV	0.4%	9% of employees*	35.6
MT	0.1%		0.2
NL	0.1%		8.2
PL	0.1%		15.9
PT	3.4%	2% of employees*	44.8
RO	0.3%		24.4
SE			39.0
SI	0.1%		0.9
SK	0.2%	9% of employees[7]	96.7
UK	0.6%		182.5
Total			2 902.4

Source: Own CSES PPMI research.

Past and current trends

Within Europe, the biggest share of domestic workers is employed in Spain, France and Italy. Spain has seen a particularly rapid increase in the number of domestic workers from 355 000 in 1995 to

[7] Based on reporting by households employing domestic workers, thus heavily under-reported

747 000 in 2010.[8] The number of domestic workers increased steadily from 1995 to 2007 and outpaced the growth in total employment during the years of economic prosperity. It then decreased slightly in 2008 and 2009 most likely as a result of the economic crisis. The domestic work sector in Italy and France has shown similar tends. A common pattern for domestic work in the Mediterranean and Western European countries is the employment of migrant women, for whom domestic work is the main entry point into the labour market.[9]

In Germany, the number of domestic workers grew by approximately three quarters between 1995 and 2009 (to 203 000 domestic workers). The data imply that domestic work is less common in Germany than in the Mediterranean countries, accounting for only 0.5% of total employment. However, due to the 'shadow economy' and methodological shortcomings of household surveys it can be assumed that statistical offices undercount domestic workers. When supplemented with data from alternative sources, the number of domestic workers in Germany was estimated to be 712 000, or 1.8% of total employment.

The Nordic countries have very low numbers of domestic workers, which account for only 0.1 to 0.3% of total employment. The demand for domestic workers has remained low in these countries and the available data show no significant changes over recent years. This is partly due to the public provision of childcare and elderly care, tasks that are often undertaken by domestic workers in other countries. Eastern Europe also has a very low incidence of domestic work, which usually makes up less than 1% of total employment. However, many migrant domestic workers in Western Europe originate from the Eastern Europe. The United Kingdom is one of the rare cases where the number of domestic workers has fallen (from about 206 000 domestic workers in 1990 to 153 000 in 1995) arguably due to increasing reliance on *au pairs* as an alternative.

ILO data show that domestic work accounts for only 0.9% in developed countries and 0.4% in Eastern Europe and CIS of total employment.[10]

Likely future trends

Based on the previous studies it can be assumed that the future trends in domestic employment will depend on three main factors: general economic situation, society ageing and development of public services. The need for domestic workers, especially carers, will increase together with the ageing society, while economic growth will allow households to employ them. Regional differences within Europe are most likely to persist, and the countries with a better developed public provision of childcare and elderly care are likely to have lower shares of domestic workers.

Since domestic work is predominantly carried out by women, many of whom are migrants or members of historically disadvantaged groups, it can be expected that migration (within Europe and from third countries) will positively influence the growth of domestic work.

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[8] International Labour Organisation (2013). Domestic Workers Across the World: Global and Regional Statistics and the Extent of Legal Protection, p.35.
[9] Ibid.
[10] Ibid.

Coverage under the Directive

The Written Statement Directive does not specifically exclude domestic workers from its application. However, the question whether domestic workers are covered by the Directive or not often depends on whether the contract or employment relationship is defined by national law. For that reason, it is not possible to simply state whether Member State law has extended the Directive to all domestic workers or not.

Many domestic workers operate under the terms of an informal or verbal agreement rather than a contract or employment relationship defined by national law. Such work can also be undeclared. **In these cases, the worker would not be covered by the Directive.**

Some domestic workers are employed under a contract or employment relationship defined by national law. However, these might be a minority. **In these cases, the worker would be covered by the Directive**. In some Member States, the labour law makes specific reference to domestic workers. Some examples are provided in the box below.

Based on their level of coverage of domestic workers the EU MS can be grouped as follows:

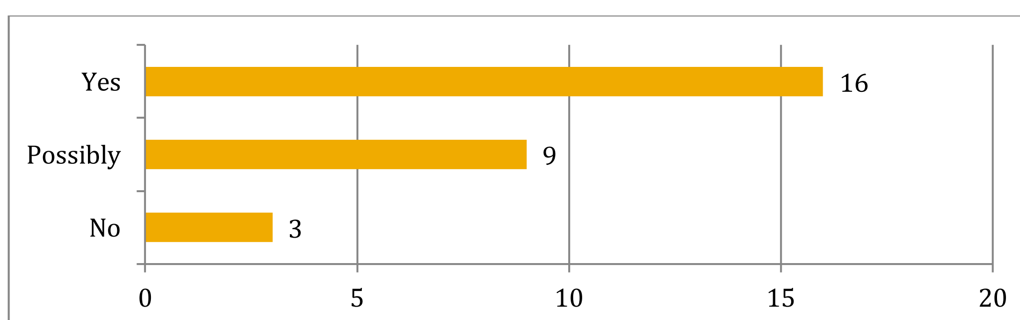
Table 5 Categorisation of Member States regarding domestic workers

Domestic workers covered?	Yes (16)	Possibly (9)	No (3)
Countries	AT, BE, CY, FI, FR, DE, EL, IT, LV, LT, LU, MT, PT, RO, ES, UK	BG, HR, CZ, DK, EE, IE, PL, SK, SI	HU, NL, SE

Source: Own CSES PPMI research.

The table shows that in 15 countries, domestic workers are covered by the WSD and are supposed to receive a written statement. In 9 countries, their right to a written statement depends on their employment relationship. Only in Hungary, the Netherlands and Sweden, are domestic workers excluded from the scope of the WSD.

Figure 3 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

More detail on the coverage of domestic workers in each Member State is provided in Annex 1.

2.2.1.4. Platform/crowd workers

Definition

'Platform work' is not formally defined at EU level. However, the Commission Communication 'A European agenda for the collaborative economy' defines the concept of collaborative economy, the presence of an online platform being a necessary element of the definition. Platform work is carried out by service providers who can be professional or not. Where it is carried out by professional services providers, these can be self-employed persons or workers.

Eurofound has identified 'crowd employment' as one of the forms of employment that is new or has been of increasing importance since 2000. It defines crowd employment as follows:

'where an online platform matches employers and workers, often with larger tasks being split up and divided among a "virtual cloud" of workers.'[11]'Virtual platforms match a large number of buyers and sellers of services or products, often with larger tasks being broken down into small jobs.'[12] 'Technology is essential in this new employment form, as the matching of client and worker as well as task fulfilment and submission are mostly done online. As Kittur et al. state, crowd employment "is a socio-technical work system constituted through a set of relationships that connect organisations, individuals, technologies and work activities" (2013, p. 1). In general, the platform acts as an intermediary or agent, but does not become directly involved in the business between the client and the worker. Quite often there is no formal contract between the client and the worker, but their relationship is based on a bilateral agreement…Some platforms leave payment from the client to the worker to the discretion of the two parties, so that it is completely up to them to agree on the amount and mode of payment. Other platforms, however, apply a minimum or even fixed price for specific tasks…Some of the platforms act as an intermediary for payment. The client transfers the payment to the platform, which forwards it to the worker after the service they provided has been approved. This results in some safeguard that the worker will be paid.'[13]

Number of workers

Crowd workers or platform workers are not specifically defined or recognised in national statistics. Data on the number of such workers are not therefore systematically gathered. Crowd workers operate in many different sectors. They can be highly skilled professionals or unskilled labourers. Some gain all or most of their income from just one platform and work full-time for customers sourced through the platform. Many others will work only frequently or sporadically on tasks sourced via the platform. Some of the most important platforms are as follows:

[11] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p. 2.
[12] Ibid., p. 7.
[13] Ibid., pp. 109-110.

- Uber, an American private hire taxi company operating in many EU Member States, including Finland, France, Germany, Italy, Poland, Spain and the UK. Uber claims to have 120 000 drivers in the EU.[14]

- Taxify OÜ, an Estonian international transportation network company operating in 18 countries. Taxify has 3 000 private hire taxi drivers in London.

- TaskRabbit, a US firm with 50 000 freelance 'taskers' mostly in the US, but also operating in London that matches freelance workers with customers, requiring help with everyday tasks, including cleaning, moving, delivery and home repairs.

- Deliveroo, a British online food delivery company also operating in Belgium, France, Germany, Ireland, Italy, the Netherlands and Spain: reported to use 20 000 self-employed couriers.[15]

For this study, the share of platform workers in the total employment population has been informed by a number of studies carried out both in the US and in Europe. Main results extracted from the US literature on platform work:

- Katz and Krueger (2016) calculate that 0.5% of workers in 2015 were providing services through online intermediaries, such as Uber and Task Rabbit.

- Harris and Krueger (2015) estimated the number of platform workers based on the frequency of Google searches for terms related to online intermediaries. According to this study 0.4% of the employed work with an online intermediary

- Farrell and Greig (2016) estimate 0.6% of the working age population (representing approximately 0.4% of the workforce). The method used is based on the frequency of bank deposits from online work platforms.

A small number of available studies on EU-wide surveys have also been analysed:

- The CIDP (2017) interviewed a nationally representative sample of 5 019 UK adults aged 18 to 70 in the UK. 4% of employed (excluding pure selling activities, e.g. eBay and Airbnb) reported to have used online platforms in the previous 12 months. Only 25% of this 4% reported that this was their main job, and 58% reported that they are permanent employees and see the gig-economy as an income supplement. If one were to assume the 25% figure as a basis for calculating something approximating a 'gig employment status,' then one would arrive at a figure of 1% of the employed, i.e. 1% of employed people in the UK had an employment status of gig employed at some time in 2016.

- Huws et al. (2016) found that between 5% and 9% of the online population were engaged in some type of crowd work in Austria, Germany, the Netherlands,

[14] https://www.theguardian.com/technology/2017/may/11/uber-cabs-taxis-us-app-ecj
[15] https://www.ft.com/content/88fdc58e-754f-11e6-b60a-de4532d5ea35

Sweden and the UK in the first two quarters of 2016. According to the survey this accounted for more than half of all income for 2.4% of the respondents in Austria, 2.6% in Germany, 1.7% in the Netherlands and 2.8% both in Sweden and the UK.

- McKinsey Global Institute conducted an online survey in the USA and a few EU countries (and extrapolated the results to EU-15). According to this study 15% of independent earners used online platforms, i.e. corresponding to approximately 3%-5% of the working age population.

Based on the evidence collected from US- and EU-level sources, it can be reasonably assumed that the number of platform workers at a single point of time varies between 0.5% (lower bound) and 1% (upper bound) of the employment population in most European countries.[16] The table below provides an overview of the estimated number of platform workers in Europe.

Table 6 Estimated number of platform workers

Country	Estimated number of platform workers (in thousands)	
	Lower bound	Upper bound
AT	20.71	41.43
BE	22.70	45.41
BG	14.77	29.54
CY	1.77	3.54
CZ	25.08	50.16
DE	200.83	401.65
DK	13.74	27.48
EE	3.06	6.12
EL	18.05	36.10
ES	90.91	181.83
FI	11.90	23.80
FR	131.22	262.43
HR	7.83	15.67
HU	21.55	43.09
IE	9.77	19.53
IT	111.21	222.41
LT	6.59	13.18
LU	1.30	2.59
LV	4.31	8.62
MT	0.94	1.89
NL	41.12	82.23
PL	79.51	159.02
PT	21.86	43.71
RO	40.83	81.66
SE	23.68	47.36

[16] This assumption is supported by Eurofound (2017), 'Aspects of non-standard employment in Europe'. The study assesses the comparability of the patchy evidence provided by international studies and surveys on platform work.

Country	Estimated number of platform workers (in thousands)	
	Lower bound	Upper bound
SI	4.51	9.03
SK	12.36	24.72
UK	152.12	304.24

Source: Own CSES PPMI research.

Past and current trends

Platform/crowd employment in Europe has been emerging since the late 2000s or early 2010s. The European mapping exercise carried out in 2014 found that crowd employment was emerging in 11 Member States, among a mix of large and small countries and geographic locations (BE, DE, DK, CZ, LV, LT, IT, EL, ES, PT, UK).[17] The 2016 Eurobarometer survey showed that more than half of respondents had heard of collaborative platforms and over a third of them had provided services on these platforms.[18] At country level, more than one third of respondents in France (36%) and Ireland (35%) have used collaborative platforms, as have almost a quarter in Latvia and Croatia (both 24%), while respondents in Cyprus (2%), Malta (4%) and the Czech Republic (7%) are the least likely to have done so. National experts (e.g. France, Bulgaria and the Czech Republic) have argued that the number of the crowd/platform workers in their countries has been increasing.

Likely future trends

The major factor for the development of crowd work is the convergence between communications and computing technologies, which allows individuals and organisations to connect in ways and on scales that were previously inconceivable. An increasing virtualisation of products, processes, organisations and relationships no longer requires people to work together in the same physical space to access the tools and resources they need to produce their work.

Other factors that have strongly contributed to the growth of crowd employment, besides the opportunities offered by modern technologies, are difficulties in reconciling private and working life, and the existence of well-educated young professionals looking for alternative forms of employment.[19] From the employers' perspective, collaborative platforms open access to a huge source of knowledge and experience, a potentially quicker completion of the tasks and reduced costs of employee recruitment and their material support.

[17] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.108.

[18] Flash Eurobarometer 438 (2016). The use of Collaborative Platforms.

[19] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.111.

There are, however, some factors that might hamper the growth of crowd employment. From the employers' perspective, it is the risk of losing in-house competences and control over the process, challenging coordination and unfamiliarity with this untraditional way of working, while from the workers' perspective it involves some danger of transforming comparatively secure employment into more precarious forms of employment.[20] Moreover, the potential for labour-saving technologies (e.g. the introduction of driverless cars) might decrease the need for human workers in relatively simple jobs and focus the growth of digital platforms on more complex, skill-demanding economic activities.[21] Tax regulation might also have a negative influence on the growth of digital platforms, while the digital management of tasks may lead to their internalisation with less significant implications for employment contracts and social protection.[22]

Although anticipation of future trends of this new form of work is highly speculative, the drivers for the development of crowd employment seem to be stronger than barriers, while past and current global trends allow the assumption that the number of the crowd/platform workers is likely to increase.

Coverage under the Directive

Crowd workers are not always directly employed by the platform. Instead, they are often operating on a self-employed basis as independent contractors and outside the scope of employment legislation. Eurofound notes that crowd employment platforms have to follow general legal frameworks such as commercial codes, civil codes, consumer protection acts and data protection legislation, but there are no legal or collectively agreed frameworks specifically addressing crowd employment in Europe. Eurofound also notes that in general, the platform administration does not check the legal status of the worker and does not interfere in any obligations for taxation or social protection, and it is also widely acknowledged that this is not the responsibility of the clients. Because crowd workers are considered to be self-employed or freelancers, they do not get any benefits (including access to HR measures such as training, mentoring or coaching) or have any job security (Felstiner, 2011), social protection or representation.[23]

The research for the current study found that crowd workers are not specifically defined in legislation in any of the 28 EU Member States. However, crowd employment platforms have been subject to two forms of legal challenge in several EU Member States, as well as in the US. Such challenges have generally focused on one of two issues.

First, the **nature of the service provided**: in the private hire sector, legal questions have been raised as to whether the company operating the platform is merely an information

[20] Ibid, p.114-117.
[21] Eurofound (2017), Non-standard forms of employment: Recent trends and future prospects. Background paper for Estonian Presidency Conference 'Future of Work: Making It e-Easy', 13-14 September 2017 p.27.
[22] Ibid.
[23] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg.

service provider serving merely as an intermediary between private hire firms and customers or as the actual operator of a private hire service. For example, the opinion of the Advocate General of the European Court of Justice, Maciej Szpunar, is that the service offered by the Uber platform must be classified as a 'service in the field of transport.'[24] Legal challenges on the nature of the service have led to Uber having to cease its operations in Denmark[25] and Hungary[26], for example and being challenged in Frankfurt, London, Madrid and Paris.

Although such questions do not technically relate to labour law, they may have implications for the employment status of workers. For example, in the case of Uber, the ECJ's Advocate General goes on to note that 'the drivers who work on the Uber platform do not pursue an autonomous activity that is independent of the platform. On the contrary, that activity exists solely because of the platform, without which it would have no sense…' Uber:

(i) imposes conditions which drivers must fulfil in order to take up and pursue the activity;

(ii) financially rewards drivers who accumulate a large number of trips and informs them of where and when they can rely on there being a high number of trips and/or advantageous fares;

(iii) exerts control, albeit indirect, over the quality of drivers' work, which may even result in the exclusion of drivers from the platform; and

(iv) effectively determines the price of the service.'[27]

Second, the **legal status of the worker**. Legal challenges have been brought by crowd/platform workers in the UK and the US. These workers have claimed that the nature of the contractual arrangement is one of employment rather than independent contractor or self-employed freelancer. For example:

- In the UK, the Central London Employment Tribunal ruled on 28 October 2016, that Uber drivers are 'workers' entitled to the minimum wage, paid holiday and other normal worker entitlements, rather than self-employed. The case was taken by the GMB union on behalf of two drivers.

- The Central London Employment Tribunal made a similar ruling regarding drivers working for the London-based private hire company, Addison Lee.[28]

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[24] Court of Justice of the European Union Press Release No 50/17.
[25] https://www.theguardian.com/technology/2017/mar/28/uber-to-shut-down-denmark-operation-over-new-taxi-laws.
[26] http://fortune.com/2016/07/13/uber-hungary-ban/.
[27] Court of Justice of the European Union Press Release No 50/17.
[28] https://www.leighday.co.uk/News/News-2017/September-2017/Victory-for-Addison-Lee-drivers-as-Tribunal-finds.

In terms of legal coverage of platform workers, the EU MS can be grouped as follows:

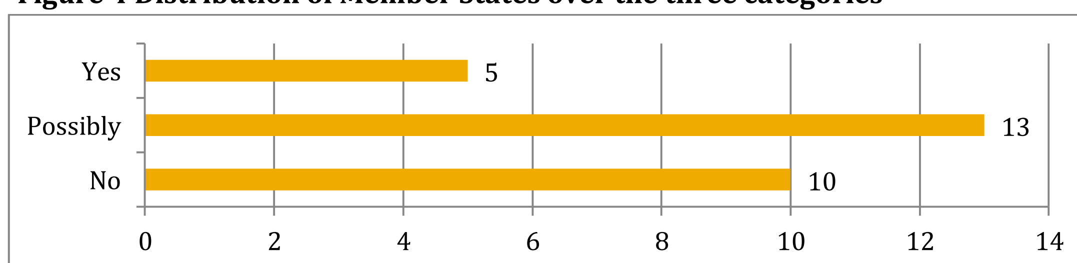
Table 7 Categorisation of Member States regarding platform workers

Platform workers covered?	Yes (5)	Possibly (13)	No (9)
Countries	BE, CY, FI, DE, ES	BG, HR, CZ, DE, EE, EL, IE, IT, MT, NL, PT, RO, SK	AT, FR, HU, LT, LV, LU, PL, SI, SE, UK

Source: Own CSES PPMI research.

This table shows that the position of platform workers across the EU is quite uncertain as almost half of the MS indicated that the right of a platform worker to receive a written statement is mostly dependent on an individual situation. Only in five MS, do all platform workers have the right to a written statement.

Figure 4 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

More detail on the coverage of platform workers in each Member State is provided in Annex 1.

2.2.1.5. Voucher-based workers

Definition

Eurofound defines 'voucher-based work' as 'a form of employment where an employer acquires a voucher from a third party (generally a governmental authority) to be used as payment for a service from a worker, rather than cash'.[29]

According to Eurofound, 'Voucher-based work entails some job insecurity, social and professional isolation and limited access to HR measures and career development, but offers workers the opportunity to work legally, better social protection and perhaps better pay.'

Eurofound has identified examples of voucher-based work:

- household services in Austria, Belgium, France, Greece and Italy.

[29] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.82.

- agriculture in Greece, Italy and Lithuania.

Number of workers

The number of voucher-based workers has been extracted from a number of sources using a three-step approach:

- The first step required mapping the countries where voucher-based work is legal and is defined in a clear legal framework. This evidence was collected through a mix of desk research and interviews with national stakeholders.
- The second step required identifying national level information available on the number of voucher-based workers. This information has usually been extracted from national level studies carried out by ICF in 2016. The national studies provide detailed information collected from a variety of national level sources. For countries not providing national level data, it was necessary to estimate the number of voucher-based workers based on the percentage of voucher-based workers out of the total population for each Member State. This percentage has been multiplied by the population in each Member State where data are missing.
- The last step required dividing the number of voucher-based workers between SMEs and large companies. This was done by multiplying the number of voucher-based workers with the percentage of SME and large companies in each Member State.

It should be noted that the comparability of data are very limited and required strong assumptions. In some Member States, such as Croatia, it was assumed that each voucher corresponds to a worker (i.e. the number of workers corresponds to the number of vouchers). This assumption is likely to overestimate the volume of this form of employment in the country.

The table below provides data on the estimated number of voucher-based workers in countries where this form of emplotment is available.

Table 8 Estimated number of voucher-based workers

Country	Estimated number of voucher-based workers (in thousands)		
	Micro companies & SMEs (<250 employees)	Large companies (>=250)	Total
AT	4.0	3.1	7.1
BE	62.3	68.0	130.3
EL	33.3	36.7	70.0
FR	1 080.0	240.0	1 320.0
HR	380.6	124.0	504.6
LT	12.4	2.6	15.0
NL	75.2	24.8	100.0

Country	Estimated number of voucher-based workers (in thousands)		
	Micro companies & SMEs (<250 employees)	Large companies (>=250)	Total
SI	3.8	2.2	6.0
Total	1 651.6	501.5	2 153.1

Source: Own CSES PPMI research.

Past and current trends

Voucher-based work is reported to be used in about a third of EU Member States (AT, BE, EL, FR, HR, IT, LT, NL and SI).[30] Where data are available, they show an increasing trend in voucher-based employment. For example, in Austria since the introduction of vouchers in 2006, the number of voucher workers increased from about 2 100 in 2006 to 6 600 in 2013.[31] In Belgium the number of voucher workers increased from about 62 000 in 2006 to 130 000 in 2013.[32] In France, the number of individual service providers – mainly through CESU[33] – increased from 960 000 in 2003 to 1.32 million in 2008.[34] In Greece the number of workers employed in the voucher system almost doubled during one year from 35 800 workers in 2012 to about 70 000 in 2013.[35]

Likely future trends

Voucher-based work is used in two main sectors: household services (in AT, BE, FR, EL and IT) and agriculture (EL, IT and LT).[36] As these two sectors typically account for a significant share of undeclared work, voucher-based work systems provide a means of supporting legal employment in these sectors and give flexibility to employers. Therefore, it can be assumed that voucher-based systems have a strong potential for growth in countries with significant shares of undeclared work if national legislation will allow it. In countries where they are already introduced and established, the number of voucher-based workers is likely to grow and most probably will depend on the general economic outlook and employment trends.

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[30] Based on national contributions.
[31] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.93.
[32] Ibid, p.94.
[33] The Chèque emploi service universel (CESU) is a scheme designed to simplify the formalities for private individuals to hire domestic help or other jobs related to the home, in compliance with French labour law.
[34] Ibid, p.94.
[35] Ibid, p.94.
[36] Ibid, p.82.

Coverage under the Directive

Based on their level of coverage of voucher workers the EU MS can be grouped as follows:

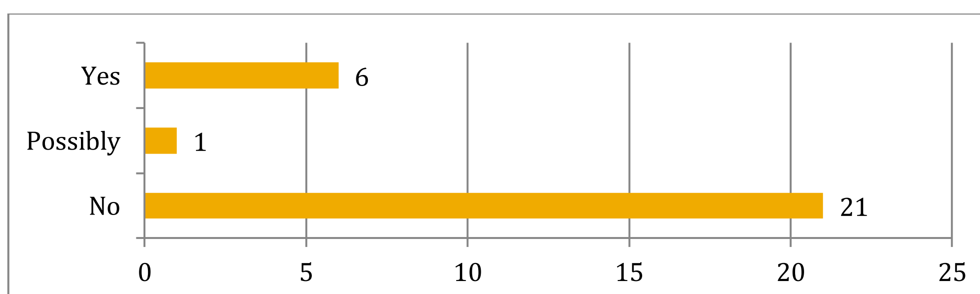
Table 9 Categorisation of Member States regarding voucher workers

Voucher workers covered?	Yes (6)	Possibly (1)	No (21)
Countries	BE, HR, FI, FR, NL, ES	RO	AT, BG, CY, CZ, DK, EE, DE, EL, HU, IE, IT, LT, LV, LU, MT, PL, PT, SK, SI, SE, UK

Source: Own CSES PPMI research.

The table indicates that in two thirds of the EU MS, voucher workers are not covered by the written statement. However, it must be noted that in many of those MS, voucher work does not exist. In the six MS that have regulated voucher workers, they either have a specific regulation regarding voucher workers (in Croatia) or they are covered by standard labour law (for example in Spain).

Figure 5 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

More detail on the coverage of voucher-based workers in each Member State is provided in Annex 1.

2.2.1.6. Paid trainees

According to the EU Quality Framework for Traineeships, 'traineeships' are understood as a limited period of work practice, whether paid or not, which includes a learning and training component, undertaken in order to gain practical and professional experience with a view to improving employability and facilitating transition to regular employment.[37]

Paid trainees are not specifically excluded from the scope of the Written Statement Directive. Where they have an employment contract or employment relationship defined by Member State law, then they are in the same legal position as any other employee. However, some Member States have given legal recognition to certain forms of paid

[37] Council recommendation on a Quality Framework for Traineeships, 10 March 2014, (2014/C 88/01).

traineeship, which are distinct from employment status yet still provide certain rights. In some cases, this includes the right to a written statement similar or identical to that required by the Directive.

Overall, we can identify several distinct situations that paid trainees might be in:

- Employment: with the same rights as an employee, including the right to a written statement.
- Paid trainee position: with the right to a written statement.
- Paid trainee position: without the right to a written statement.
- Unpaid trainee: usually without the right to a written statement (although sometimes with certain rights, such as those relating to health and safety).

Number of workers

Young workers in Europe are increasingly employed on internship or traineeship contracts, which allow them to gain work experience and might lead into permanent employment.[38] For example, internships in France rose from 600 000 in 2006 to around 1.6 million in 2012.[39] However, less than half of employed trainees are paid. As the Flash Eurobarometer on the experience of traineeship in the EU shows, only two in five EU respondents with traineeship experience (40%) had received financial compensation during their most recent traineeship. It is not clear how many of these had the status of an employee or what form the financial compensation took.[40]

Past and current trends

Member States are increasingly promoting internships as an effective tool in tackling rising youth unemployment and ensuring their school-to-work transition.[41] Likewise, employers increasingly see traineeship not only as a prerequisite for labour market entry, but also as a cheap or even free labour that can substitute regular staff.[42] For example, in France and Germany an estimated number of trainees is 1.5 million each year.[43]

Likely future trends

Although it has been argued that traineeship schemes can trap some young people in an endless series of work placements and temporary contracts, they are increasingly

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[38] European Parliament (2016). Precarious Employment: Patterns, Trends and Policy Strategies in Europe, p.125.
[39] Ibid, p.47.
[40] Flash Eurobarometer 378 (2013). The Experience of Traineeship in the EU, p.47.
[41] European Commission (2012). Study on a comprehensive overview on traineeship arrangements in Member States. Final Synthesis Report.
[42] Ibid, p.24–25.
[43] Ibid, p. 25.

becoming an important route of entry to many professions. EU policy initiatives to promote quality traineeships within education and training and/or employment schemes (e.g. Youth on the Move Initiative of Europe 2020, Erasmus+, European Solidarity Corps), as well as national initiatives to facilitate school-to-work transition and protect trainees from precarious employment and insecurity, might lead to increasing numbers of paid trainees.

Coverage under the Directive

Based on their level of coverage of paid trainees the EU MS can be grouped as follows:

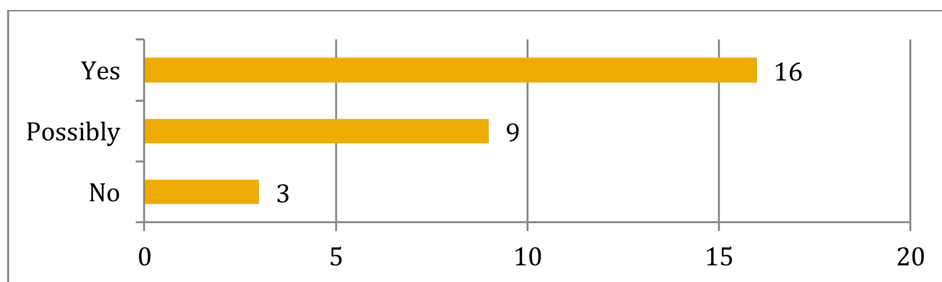
Table 10 Categorisation of Member States regarding paid trainees

Paid trainees covered?	Yes (16)	Possibly (8)	No (3)
Countries	BE, CY, DK, FR, DE, EL, IT, LV, LT, LU, MT, NL, PL, PT, SI, ES	AT, BG, HR, EE, IE, RO, SK, SE, UK	CZ, FI, HU

Source: Own CSES PPMI research.

The table shows that the majority of EU MS have included the obligation to provide paid trainees with a written statement in their legal systems, either through a separate regulation or because they fall under the national definition of employee. In eight MS, the obligation depends on the type of contract that the trainee has. Several countries have special trainee systems and the right to receive a written statement depends on whether the trainee is employed based on an employment contract or based on an agreement between the company and the educational facility.

Figure 6 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

Some countries have regulated paid trainees in their labour law and this group of workers is therefore covered by the WSD. In some countries, they are excluded from the scope of the WSD. However, in most Member States, the coverage of paid trainees by the WSD depends on their type of contract. Self-employment does not play a role here as the hierarchic relationship between trainee and employer is obvious.

More detail on the coverage of paid trainees in each Member State is provided in Annex 1.

2.2.1.7. Employees with a contract or employment relationship not exceeding one month

Article 1.2(a) provides the possibility for Member States to regulate that the Directive shall not apply to employees having a contract or employment relationship with a total duration not exceeding one month.

Consistent and reliable data on the number of workers with such contracts or employment relationships is not available across EU-28 and very often not within Member States. This may result from the diversity of such contracts or employment relationships, which makes categorisation difficult.

Number of workers

Employees working less than month include a variety of workers hired through a range of temporary contracts. Official statistics for this category of workers are available from the EU LFS from Eurostat, which provides the number of temporary workers disaggregated by country and duration of the contract. Data gaps for 2016 have been identified in seven countries (AT, CY, DE, LT, LV, MT and Romania). In these countries the population has been estimated using the percentage of employees working less than one month out of the total number of employees in EU-28. This percentage has been applied to the number of employees in the country. In addition, data have been broken down by size of company using the 6th European Working Condition Survey (EWCS) carried out by Eurofound, which provides information on the share of SME and large companies by country.

The number of workers broken down by size of the company is shown in the table below.

Table 11 Estimated number of employees working less than one month

Country	Estimated number of voucher-based workers (in thousands)		
	Micro companies & SMEs (<250 employees)	Large companies (>=250 employees)	Total
AT	14.0	11.0	25.1
BE	43.9	47.9	91.8
BG	7.7	1.37	9.1
CY	1.3	0.8	2.1
CZ	1.1	0.25	1.3
DE	164.5	84.6	249.1
DK	4.8	7.7	12.5
EE	1.1	0.6	1.7
EL	3.4	3.7	7.1
ES	82.3	108.6	190.9
FI	13.4	8.9	22.3
FR	434.7	96.6	531.3
HR	10.8	3.51	14.3

Country	Estimated number of voucher-based workers (in thousands)		
	Micro companies & SMEs (<250 employees)	Large companies (>=250 employees)	Total
HU	11.0	9.15	20.1
IE	1.9	0.51	2.4
IT	61.1	17.86	79
LT	6.6	1.38	8.0
LU	0.9	0.89	1.8
LV	2.5	2.65	5.2
MT	0.4	0.70	1.1
NL	4.8	1.58	6.4
PL	53.0	20.56	73.6
PT	45.1	12.32	57.4
RO	27.9	14.47	42.4
SE	53.0	43.43	96.4
SI	1.8	1.07	2.9
SK	6.7	10.21	16.9
UK	11.6	19.81	31.4
Total	1 071.3	532.2	1 603.5

Source: Own CSES PPMI research.

Past and current trends

Employees on contracts lasting less than one month might also be covered by other categories, such as fixed-term and part-time workers. Their review shows some more general trends.

The share of temporary hiring in the EU was increasing between 2008 and 2012, reaching 71% for elementary occupations in 2012 and becoming more common for highly skilled occupations as well.[44] A higher share of part-time work was observed in the older Member States compared to the newer Member States. Marginal part-time work, involving employees who are working fewer than 20 hours per week, has been constantly growing in almost all European countries since 2003 mainly due to the increasing participation of women who enter or re-enter the labour market with a low number of working hours and due to specific labour market regulation [45] Part-time working is highly concentrated in female-dominated sectors and occupations such as education, health and care.[46]

[44] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.46.
[45] European Parliament (2016), Precarious Employment: Patterns, Trends and Policy Strategies in Europe, p.12.
[46] Ibid, p.69.

Fixed-term contracts are widespread and spreading further in France, Spain, Portugal and Poland.[47] For example, in France fixed-term contracts of less than one week increased by 120% between 2000 and 2012, while the fixed-term contracts of less than one month but more than one week increased by 36.8 % in the same period.[48]

The decrease in permanent employment can be explained by the fact that employers tend to take a cautious approach to employment during a period of economic uncertainty. It is also observed that fixed-term and part-time employment increases as a result of labour market reforms aimed at its flexibility. For example, in Germany the marginal part-time work (so-called Mini-job) has expanded significantly since its introduction in 2003 and reached around 7 million Mini-jobs by 2016.[49] Marginal part-time workers in Germany are exempt from regular income taxation and full employee social security contributions if they earn below a certain threshold.

Likely future trends

Fixed-term and part-time employment have grown in times of crisis and as a result of increasing participation of women in the labour market and labour market reforms aimed at increasing its flexibility. However, the absolute number of temporary workers on contracts of less than one month has been also increasing with the economic recovery, which indicates that this extremely short duration of work contracts will continue to be a feature of the EU labour market in the years to come.

Based on the past and current trends it can be assumed that, unless strictly regulated, fixed-term contracts of very short duration are likely to be increasingly used by employers as a means of providing quantitative flexibility during very short periods and creating new types of jobs. Marginal part-time work might be expected to be increasingly used by women as a work–life balance opportunity.

Coverage under the Directive

Based on their level of coverage of workers employed for less than one month as indicated in the table above, the EU MS can be grouped as follows:

Table 12 Categorisation of Member States regarding workers employed for less than one month

Workers employed for less than one month covered?	Yes (14)	Possibly (1)	No (13)
Countries	BE, BG, HR, EE, FR, HU, IT, LV, LU, NL, PL, PT, RO, SI	SE	AT, CY, CZ, DK, FI, DE, EL, IE, LT, MT, SK, ES, UK.

Source: Own CSES PPMI research.

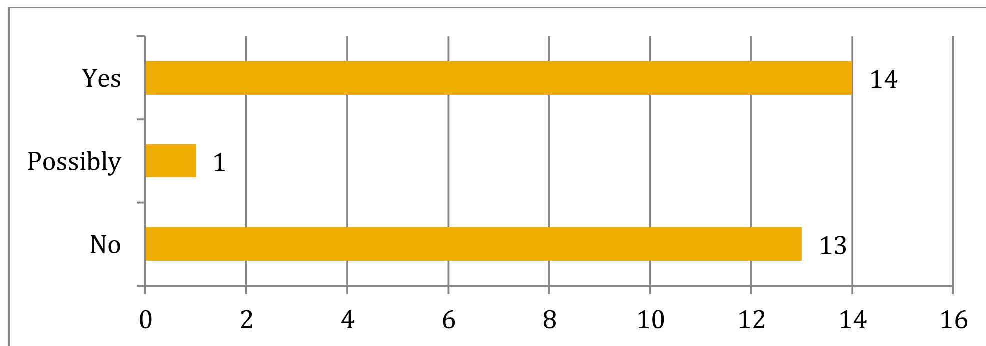
47 Ibid, p.11.

48 Ibid, p.47.

49 Ibid, p.47.

Regardless of the exception for this group, provided in the WSD, half of the EU MS have decided to include workers employed for less than one month in their scope of application of the WSD. Sweden is the only country where the application is not fully clear, as the limit for application of the WSD is not one month, but three weeks of employment. Twelve MS have excluded employees working less than one month from the obligation to provide a written statement under the WSD.

Figure 7 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

All countries have a clear regulation whether or not this group of employees is included in the scope of the WSD. Sweden is an exception as its exclusion criterion is not one month, but three weeks.

More detail on the coverage of domestic workers in each Member State is provided in Annex 1.

2.2.1.8. Employees working no more than 8 hours per week

Article 1.2(a) provides the possibility for Member States to provide that the Directive shall not apply to employees having a contract or employment relationship with a working week not exceeding eight hours.

Research in the 28 Member States has considered whether Member States have chosen/not chosen to apply the provisions of the Directive to employees working no more than 8 hours per week.

Number of workers

Employees working no more than 8 hours per week tend not to be identified separately in labour market data available in the Member States. They tend to feature more prominently in certain sectors and occupations, namely:

- Domestic work
- Cleaning
- Accommodation, hospitality, hotel and catering

- Care
- Security
- Construction.

Employees working no more than 8 hours per week tend not to be identified separately in labour market data available in the Member States. Therefore, it has been necessary to estimate the number of workers falling under this category. The sources of information used are the 6th EWCS which collects information on the number of hours work per week by employees in their main job. The percentage of people working between one and seven hours has been multiplied with the total number of employees broken down by size class provided by Eurostat.

While the table below highlights the legal situation, it is worth noting that those working no more than 8 hours per week are less likely than other workers to have a formal contract or employment relationship. Instead, such work can often be based on informal arrangements or verbal agreements. However, they have not been included in the estimates since these workers would not in practice be covered by the provisions of the Directive, even if Member States have not applied the exclusion criteria allowed in Article 1(2).

Table 13 Estimated number of employees working less than eight hours

Country	Estimated number of voucher-based workers (in thousands)		
	Micro companies & SMEs (<250 employees)	Large companies (>=250 employees)	Total
AT	82.82	65.03	147.85
BE	29.78	32.49	62.27
BG	7.78	2.67	17.73
CY	6.20	3.70	9.91
CZ	34.06	7.95	42.01
DE	453.47	233.26	686.72
DK	44.56	72.23	116.79
EE	6.31	3.36	9.66
EL	27.83	30.69	58.53
ES	113.02	149.25	262.26
FI	47.97	31.92	79.89
FR	436.76	97.06	533.81
HR	22.58	7.36	29.93
HU	40.54	33.87	74.41
IE	54.04	14.54	68.58
IT	312.39	91.25	403.63
LT	25.12	5.27	30.39
LU	0.83	0.81	1.64
LV	4.42	4.65	9.07
MT	2.63	4.30	6.93

Country	Estimated number of voucher-based workers (in thousands)		
	Micro companies & SMEs (<250 employees)	Large companies (>=250 employees)	Total
NL	211.05	69.43	280.48
PL	215.78	83.66	299.45
PT	32.83	8.97	41.80
RO	38.95	20.18	59.12
SE	61.43	50.35	111.78
SI	12.20	7.11	19.31
SK	6.70	10.22	16.92
UK	155.15	265.19	420.34

Source: Own CSES PPMI research.

Past and current trends

Since employees working no more than 8 hours per week are rarely identified separately in labour market data available in the Member States, no exact trends regarding their number can be identified.[50] This category of workers might be covered by other categories, such as domestic work, voucher-based work or casual work.

Likely future trends

Based on the trends prevailing within other similar categories, it might be assumed that the number of jobs with no more than 8 hours per week will be increasing with the growing flexibility of the labour market or will be decreasing with the growing regulation.

Coverage under the Directive

Based on their level of coverage of people employed for less than eight hours per week the EU MS can be grouped as follows:

Table 14 Categorisation of Member States regarding people working less than eight hours per week

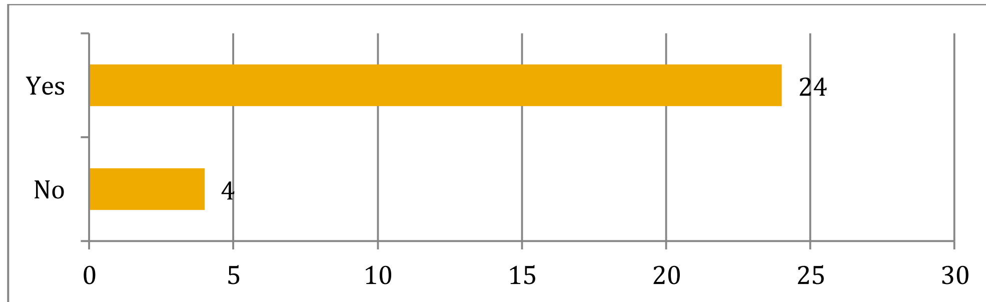
People working for less than 8 hours per week covered?	Yes (24)	No (4)
Countries	AT, BE, BG, HR, CZ, EE, FI, FR, DE, EL, HU, IE, IT, LV, LT, LU, NL, PO, PT, RO, SK, SI, ES, UK.	CY, DK, MT, SE

Source: Own CSES PPMI research.

[50] Employees working no more than 8 hours per week were not distinguished in Eurofound studies *New forms of employment* (2015), *Exploring the fraudulent contracting of work in the European Union* (2016), nor in the study *Precarious Employment in Europe: Patterns, Trends and Policy Strategies* (2016) requested by the European Parliament.

More than two thirds of the MS have already extended coverage of the WSD to those employed for less than eight hours per week. Only Cyprus, Denmark, Malta and (partly) Sweden have not entitled them to information rights foreseen in the WSD.

Figure 8 Distribution of Member States over the two categories



Source: Own CSES PPMI research.

More detail on the coverage of domestic workers in each Member State is provided in Annex 1.

2.2.1.9. Employees whose contract or employment relationship is of a casual nature

Article 1.2(b) provides the possibility for Member States to provide that the Directive shall not apply to employees having a contract or employment relationship of a casual nature provided that its non-application is justified by objective considerations.

Research in the 28 Member States has considered whether Member States have chosen to exclude certain categories of casual worker from the provisions of the Directive.

Definition/description:

'Casual work' is not formally defined at EU level. This study has used the definition provided by Eurofound in 2015: '*work where the employment is not stable and continuous, and the employer is not obliged to regularly provide the worker with work, but has the flexibility of calling them in on demand.*'[51]

Eurofound divides casual work into two main categories:

- On-call work
- Zero-hours work
- Intermittent work

The first involves a continuous employment relationship maintained between an employer and an employee, with the option for the employer to call the employee in as and when needed. The second category is relevant for countries where employers are not

[51] Eurofound (2015), New forms of Employment

obliged to indicate a minimum number of hours. The employer and employee can agree on a zero-hours contract and decide on the work distribution every week or month or when needed. The third category of casual work, i.e. intermittent work involves an employer approaching workers on a regular or irregular basis to conduct a specific task, often related to an individual project or seasonal work.

Number of workers

Overall, the use of casual workers has been reported as increasing in several countries, and they are currently concentrated in a limited number of countries. For example, the UK accounts for approximately one million zero-hours contracts signed. According to Taylor et al. (2017) review, while data suggest that there have been large increases in the number of people on zero-hours contracts since 2012, this increase is, at least in part, due to an improved recognition of this type of contract. In Ireland, a report commissioned by the Irish Government in 2015[52], found a widespread use of 'if-and-when' contracts, reaching approximately 500 000 contracts signed in 2015. In Spain, almost 400 000[53] workers are employed through intermittent contracts (i.e. *fijos-discontinuos*).

Some countries provided information in terms of number of contracts (e.g. SK, UK) while other countries provided the number of people in working relationships of a casual nature. This required assuming that each contract corresponded to a different person, i.e. if a country reported 300 000 contracts signed we assumed that it corresponded to 300 000 people. Given the nature of the work, typically 'on-demand,' this is likely to overestimate the number of workers with such type of working relationships. Some countries provided information only on a specific form of employment without taking into account other forms of casual work available in the country (i.e. leading to an underestimation of the volume of casual workers). At the same time, it has to be noted that data available should be carefully compared: each Member State has different types of casual contracts, with different rules and definitions and therefore the data provided should be regarded as an indication of the volume of casual workers in each Member State.

Several Member States did not provide data on the number of casual workers (BG, DK, EE, EL and PT). In these countries, the average share of casual workers in Member States where data were available was multiplied with the total country population taken from Eurostat.

[52] https://www.djei.ie/en/Publications/Publication-files/Study-on-the-Prevalence-of-Zero-Hours-Contracts.pdf
[53] This figure also includes part-time employees who only work part of the year

The table below provides an overview of the data collected:

Table 15 Estimated number of casual workers

Country	Estimated number of casual workers (in thousands)	
	Lower range	Upper range
Austria	345.0	345.0
Belgium	6.5	6.5
Bulgaria	62.3	75.0
Czech Republic	30.1	130.4
Germany	324.0	324.0
Denmark	49.7	59.8
Estonia	13.8	13.8
Greece	94.0	113.0
Spain	400.0	400.0
Finland	83.0	83.0
France	106.0	106.0
Croatia	1.5	1.5
Hungary	119.6	119.6
Ireland	500.0	500.0
Italy	120	120
Netherlands	378	777.0
Portugal	90.1	108.4
Romania	516.0	516.0
Sweden	134.1	134.1
Slovenia	36.1	36.1
Slovakia	416.0	416.0
United Kingdom	516.0	1 422.0
Total	4,341.9	5,807

Source:Own CSES PPMI research.

Past and currents trends

Different forms of casual work have been identified in more than half of the Member States. It is sometimes hard to distinguish between fixed contract work and casual work as not all countries make such a distinction. National statistics in most countries do not differentiate between very short fixed-term work and casual/seasonal work. Moreover, this form of employment may be linked to informal or undeclared work[54] and may overlap with other forms of employment, such as voucher-based work or platform work.[55] Therefore, precise trends in the development of casual work are difficult to distinguish. Based on the data collected by Eurofound, some national trends within two categories of casual employment: on-call work and intermittent work, are presented below.

[54] European Parliament (2016), Precarious Employment: Patterns, Trends and Policy Strategies in Europe, p.109.
[55] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.46.

On-call work has emerged or grew in importance over the last decade in Ireland, Italy, the Netherlands, Sweden and the UK.[56] For example, in the UK the prevalence of zero-hours contracts, as a type of on-call work, has risen in recent years, as a means to achieve a more flexible and effective labour market. The number of individuals in the UK employed on zero-hours contracts rose from 225 000 in 2000 to 250 000 in 2012 (less than 1% of the total workforce)[57] and further to 624 000 in 2014 and 744 000 in 2015 (2.4% of the labour market).[58] In the Netherlands, the incidence of on-call work was particularly high from the 1980s until 1999, when the Flexibility and Security Act came into force and on-call work has significantly decreased.[59] The same trend was observed in Italy, where the number of new on-call contracts doubled in the period between 2009 and mid-2012 and then sharply declined at the end of 2012 onwards, when stricter provisions to regulate labour market were introduced.[60]

Intermittent work was found in Belgium, Croatia, France, Hungary, Italy, Romania, Slovakia and Slovenia, although trends in these countries are different. For example, in Belgium intermittent work has been heavily subsidised by the government and benefited from standard labour regulations, but its prevalence in the period from 2009 to 2011 was fluctuating, and in general decreased from 14 054 intermittent jobs in 2009 to 12 698 jobs in 2011.[61] In Slovakia the number of casual work agreements dropped sharply in 2013 when new legislation obliged employers to pay social insurance contributions.

In Hungary, conversely, intermittent casual work has gained increasing popularity since its introduction in 2010, as a means of increasing legal employment. The number of simplified employment positions grew from 443 700 (involving 86 400 employees) in 2011 to about 630 000 positions (involving 119 600 employees) in 2013.[62] Likewise, in Romania since the regulation of casual work in 2011, the number of registered day workers doubled in the first two years (from 150 000 in 2011 to over 340 000 in 2012) and further increased to 516 000 in 2013.[63] It must be noted that in this country casual work is exempt from social insurance contributions.

Likely future trends

Casual employment is driven by the aim to achieve labour market flexibility and efficiency, to reduce undeclared and illegal work. The number of on-call and intermittent workers is most likely to depend on legal regulation of social insurance contributions.

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[56] Ibid.
[57] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.59.
[58] European Parliament (2016), Precarious Employment: Patterns, Trends and Policy Strategies in Europe, p.123.
[59] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.55.
[60] Ibid, p.57.
[61] Ibid, p.49-50.
[62] Ibid, p.51.
[63] Ibid, p.52.

Based on the past trends, it can be assumed that in countries where casual employment is or will be exempt of social insurance contributions it is likely to increase over time, while in countries where social contributions are or will be introduced, the number of casual work agreements is likely to decrease. Thus, the main challenge for casual work is to harmonise employers' need for flexibility with employees' need for security.

Coverage under the Directive

Based on their level of coverage of casual workers the EU MS can be grouped as follows:

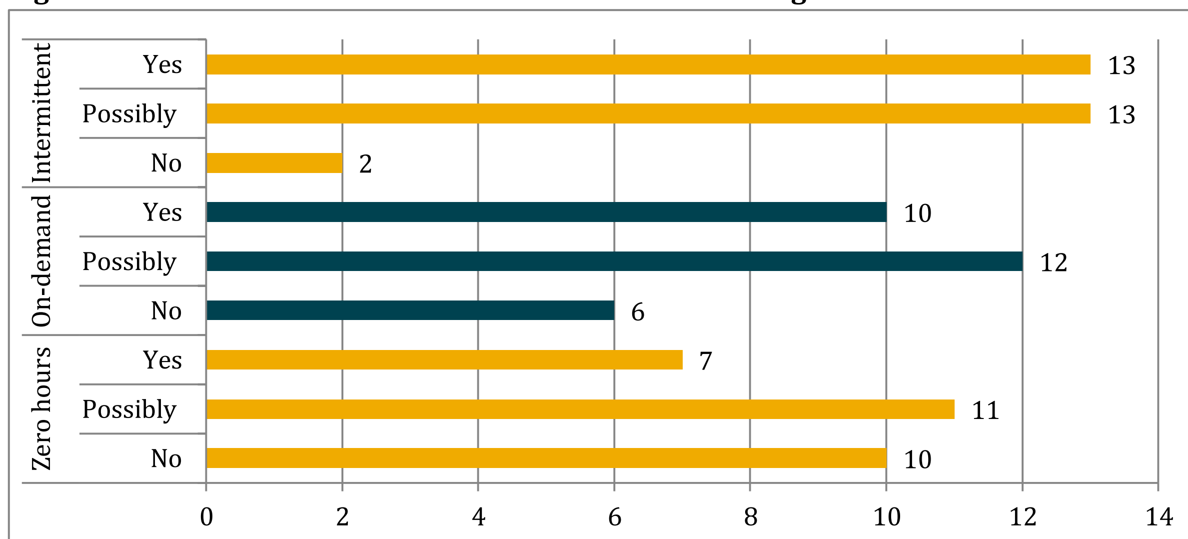
Table 16 Categorisation of Member States regarding casual workers

Casual workers covered?	Yes	Possibly	No (not regulated, do not exist or are illegal)
Zero-hours contracts	BE, FI, FR, EL, NL, ES, SE	BG, HR. CY. CZ, DK, IE, IT, PL, RO, SK, UK	AT, HU, LV, LT, SI (illegal) EE, DE, LU, MT, PT (do not exist either in law or practice)
On-demand workers	BE, FI, FR, DE, EL, HU, LT, NL, ES, SE	BG, HR, CY, CZ, DK, IE, IT, PL, RO, SK, SI, UK	AT, LV (illegal) EE, LU, MT, PT (do not exist either in law or practice)
Intermittent workers	BE, EE, FI, FR, DE, EL, LV, LT, NL, PT, RO, ES, SE	AT, BG, HR, CY, CZ, DK, HU, IE, IT, PL, SK, SI, UK	LU, MT (do not exist either in law or practice)

Source: Own CSES PPMI research.

The table above shows that the coverage of casual workers under the WSD in almost half of the countries is dependent on the type of contract workers receive, as the category of work is not defined in law. Those countries which have introduced the different types of casual work have also extended the WSD to them, unless this type of work is forbidden or non-existent in practice.

Figure 9 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

In many Member States, casual workers are not legally regulated, which means that they can exist in practice, but are not necessarily covered by the WSD or even by a national labour code. Experts often indicated that whether or not a casual worker has the right to receive a written statement depends on the type of contract he/she has. If the worker has a normal employment contract, he/she is considered an employee and has the right to receive the written statement. If a worker has a different kind of contract (e.g. work agreement), he/she will be excluded from the scope of the WSD and potentially the labour code. Our country experts have not indicated that a significant number of these workers in their countries have the status of self-employed.

More detail on the coverage of domestic workers in each Member State is provided in Annex 1.

2.2.1.10. Temporary agency workers

Definition and legal coverage

Temporary Agency Work has been the object of a specific Directive (Directive 2008/104/EC) in the context of the European Union's employment law package to protect atypical working (the others forms of employment being part-time and fixed-term).[64] The Directive defines temporary agency workers as '*a worker with a contract of employment or an employment relationship with a temporary work agency with a view to being assigned to a user undertaking to work temporarily under its supervision and direction.*' The Directive aims at ensuring equal pay and conditions with other employees. As a result, this group of workers is likely to be better covered by the Directive compared to some other atypical forms of employment. At the same time, the REFIT evaluation identified

[64] Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008, on temporary agency work.

scope for further convergence with the rules covering temporary agency workers. In particular, the REFIT evaluation suggested that its scope be expanded to explicitly cover agency workers.

Number of workers

In 2015 the highest share of temporary agency work was in the UK (3.8%), followed by the Netherlands (3.0%) and France (2.1%). In some countries, however, there were significant drops in temporary agency work between 2008 and 2014 (ES, LV, SI).[65] Despite the general growing trend, temporary agency work has accounted for a smaller share of labour market than temporary contracts and has played a minor role in all European countries.[66]

Past and current trends

Prior to the emerging digital platform work, temporary agency work was probably the most notable contractual innovation in the labour market. Since 1999, when this form of employment was permitted by law in most European countries, it grew very fast until 2007, mainly as a result of EU enlargement and liberalised regulation in countries such as Germany, Italy, Finland and Poland.[67] Then it slowed down and was even declining during the economic downturn until 2015.[68] Nevertheless, its share of employment increased from 1.2% in 1999 to 1.9% in 2015, with the biggest increase in the agency worker rate being observed in Germany, from 0.7% to 2.4% of all employment.

Likely future trends

Evidence from the European Working Conditions Survey shows that temporary agency work is experienced as the most insecure contractual form of employment.[69] It has medium to high risk of precariousness, except in countries where the temporary agency sector is covered by collective agreements, e.g. the Netherlands.[70] Research indicates that temporary agency work might be a stepping stone to more permanent and secure employment for some groups such as immigrants and the unemployed, but in general it is not considered to be a stepping stone to open-ended contracts and does not improve employment rates and earnings in the medium and long term.[71]

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[65] European Parliament (2016), p.111.
[66] Eurofound (2017), p.4.
[67] European Parliament (2016), Precarious Employment: Patterns, Trends and Policy Strategies in Europe, p.28.
[68] Eurofound (2017), Non-standard forms of employment: Recent trends and future prospects. Background paper for Estonian Presidency Conference 'Future of Work: Making It e-Easy', 13-14 September 2017, p. 21.
[69] Ibid, p.10.
[70] European Parliament (2016), Precarious Employment: Patterns, Trends and Policy Strategies in Europe, p.11, 47.
[71] Ibid, p.111.

Based on the previous trends it might be assumed that temporary agency work might be increasing in about half of the Member States. However, due to its precarious nature and limited transition opportunities it might remain a marginal form of employment.

Coverage under the Directive

Based on their level of coverage of temporary agency workers, as indicated in the table above, the EU MS can be grouped as follows:

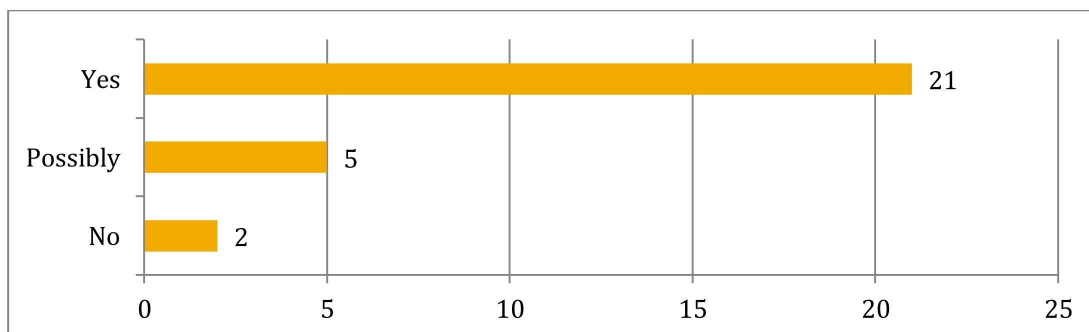
Table 17 Categorisation of Member States regarding temporary agency workers

Temporary agency workers covered?	Yes (22)	Possibly (5)	No
Countries	BE, HR, CY, DK, EE, FI, FR, DE, HU, IE, IT, LV, LT, LU, NL, PL, PT, RO, SK, ES, SE	BG, CZ, EL, ML, SI	AT, UK

Source: Own CSES PPMI research.

The table shows that in the majority of Member States, temporary agency workers are considered employees in the scope of the WSD. In five countries, the position of a temporary agency worker is dependent on the type of contract he/she has. Lastly, only the United Kingdom has explicitly excluded temporary agency workers from the scope of the WSD as they are not considered employees.

Figure 10 Distribution of Member States over the three categories



Source: Own CSES PPMI research.

In most Member States, it is clear whether temporary agency workers are included or excluded from the WSD. In five countries, it depends on individual circumstances such as the type of contract.

More detail on the coverage of domestic workers in each Member State is provided in Annex 1.

2.2.1.11. Employees having a contract or employment relationship of a specific nature

Article 1.2(b) provides the possibility for Member States to provide that the Directive shall not apply to employees having a contract or employment relationship of a specific nature provided that its non-application is justified by objective considerations.

While the total number of these workers is likely to be limited, it is still important to provide a detailed overview of the specific type of workers excluded in each Member State. According to the evidence collected, half of the Member States (14) have used exemptions in the implementation of the Directive. The most relevant groups of workers excluded under this category are:

- domestic employment
- employer's family members
- seamen

Table 29 Employment of specific nature excluded from the Directive in Annex 1 provides a detailed description of the categories of workers not covered by the Directive.

2.2.2. Basic rights of workers whose working time is very flexible

This section describes whether or not the rights of Option 5 have already been introduced in each Member State. It will also highlight what legal effect the introduction of Option 5 has on atypical workers in each Member State, based on the legal coverage of the atypical worker.

2.2.2.1. The right to reference hours

What does this right entail?

The right to reference hours in which working hours may vary refers to a set period in which work may be done, but it does not refer to the actual period of working. This reference period is mostly relevant to on-call and on-demand workers, where it indicates a period within which on-demand workers may be called in to work. However, the reference period may also be of relevance for part-time or other types of workers, where it indicates the hours and days between which the worker is supposed to be at work (for example, eight hours between 08:00 and 18:00). Many atypical or part-time employees do not receive a fixed working schedule. For employers this provides maximum flexibility, but for employees it includes a high level of irregularity and uncertainty. Reference hours provide more certainty and regularity for employees.

Why is this right important for atypical workers?

These provisions are relevant to shift, on-call and other employees engaged in flexible working arrangements. For instance, medical practitioners and others in basic services provision, workers in shops that are open at odd hours, workers in hotels and catering, seafarers, flight personnel and mobile workers. Not all workers in a flexible or atypical employment relationship have a preference for this type of work. Many workers are in this position, because they were unable to find a more standard form of employment. People who depend on flexible or atypical working relationships often find difficulties in achieving a satisfactory level of work–life balance or obtaining enough income to sustain themselves. Reference hours per day or reference days per month allow flexible workers to plan their time better. Most importantly, it means that employees know the hours

during which they are not expected at work and can therefore potentially plan a secondary employment or take other commitments. Low-skilled employees in this position particularly require this extra security, since their wages are often already low and they are more dependent on a second job, while retirees, for example, are less dependent on secondary employment.

Current regulations regarding the right to reference hours across the EU

In order to clearly view the number of countries who introduced the right compared to those who have not, the following table and graph have been developed. The five categories over which the Member States have been divided show how the introduction of the right would influence the workers in each country in their current state.

Table 18 Categorisation of coverage among the Member States

Type of coverage	Countries
1) The right to reference hours has been introduced and casual workers (including on-demand workers) are covered.	BE, HR, DK, EL
2) The right to reference hours has been introduced, but on-demand workers are excluded	CZ, IT (*definitely excluded*) SK, PL, SI (*depends on the employment contract*)
3) The right to reference hours has not been introduced, but casual workers (especially on-demand workers) exist in law and would directly benefit.	FR, DE, HU, NL, SE
4) The right to reference hours has not been introduced and casual workers (especially on-demand workers) are not recognised in law and therefore require Option 1 in order to be covered by this right.	BG, CY, EE, FI, IE, LU, MT, PT, RO, ES, UK.
5) The right to reference hours is not introduced, but on-demand work is prohibited	AT, LV, LT

Source: Own CSES PPMI research.

Currently, on-demand workers only enjoy the right to reference hours in Belgium, Croatia, Denmark and Greece (group 1). The other 24 Member States have not introduced this right for on-demand workers or any employee in general. Czech Republic, Italy, Slovakia, Slovenia and Poland have the right to reference hours, but need to expand the level of coverage to always include on-demand workers (group 2).

For France, Germany, Hungary, the Netherlands and Sweden, there is no need for Option 1 additional to Option 5.1 as these countries either recognise casual workers in law or automatically extend labour rights to these workers anyway (group 3).

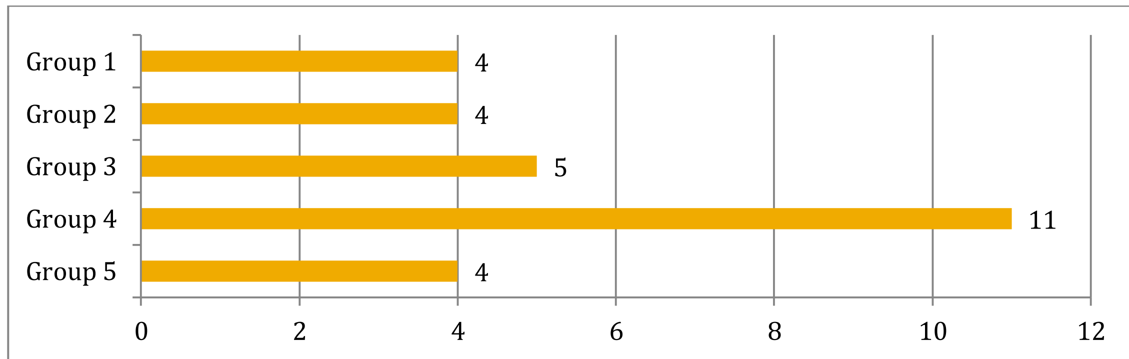
For 11 countries,[72] it is important that Option 1 is introduced simultaneously to Option 5.1 as casual workers need to be explicitly included. Introducing Option 5.1 by itself

[72] BG, CY, EE, FI, IE, LU, MT, PT, RO, ES, UK.

would mean that the key target group of on-demand workers is still not covered as they are not employees (group 4).

The right to reference hours does not play a big role for Austria, Latvia and Lithuania since on-demand work is prohibited. Therefore, the target group does not exist (group 5).

Figure 11 Distribution of Member States over the five categories



Source: Own CSES PPMI research.

The table below shows in more detail the extent to which each Member State has introduced Option 5.1 and which workers are affected by it.

Table 19 Introduction of the right to reference hours across the EU

Country	Option 5.1 introduced?	Comments on coverage of casual workers, especially those working on-call
Austria	No	Zero-hours and on-call contracts are banned. However, experts believe this right could provide better security for workers such as seasonal workers.
Belgium	Yes	Casual workers are covered. Every company is supposed to have published internal rules ('arbeidsreglement') which specify the average working time. So, the answer is always yes. Even if there is no specific regulation.
Bulgaria	No	There are no on-call workers in Bulgaria (or only rarely), but this work is not prohibited by law.
Croatia	Yes	All casual workers are covered by this right.
Cyprus	No	Casual workers exist in Cyprus but are not considered employees and are not mentioned in law.
Czech Republic	Yes	In the case of workers in an employment relationship the employer is obliged to determine the start and end of shifts, draw up a written weekly work schedule, and inform employees of the schedule or its alterations by at least two weeks in advance By contrast, the employer is not obliged to schedule hours of work of those employees engaged under agreements on work performed outside an employment relationship! Therefore, casual workers are excluded!
Denmark	Yes	On-call workers are covered by Option 5.1
Estonia	No	Zero-hours contracts do not exist. Other casual workers only exist if they have an employment contract.
Finland	No	Casual workers are not regulated by law, but also not

Country	Option 5.1 introduced?	Comments on coverage of casual workers, especially those working on-call
		prohibited.
France	Partly	Under French law the schedules are contractual and are the law of the parties. The employee can refuse to work outside these hours. On-call work is regulated through collective agreements. Zero-hours workers do not exist.
Germany	Partly	'There is no legal obligation to fix the reference hours in the working contract. If no hours are fixed in the contract according to a decision of the Federal Labour Court the usual working hours in the company apply.' Zero-hours contracts don't exist, but on-call work is regulated.
Greece	Yes	The employer is thus only required to include the on-call availability hours in the information package and not the actual hours of employment. Casual work exists in Greece in practice, but not in Greek law.
Hungary	No	Zero-hours contracts are not allowed under the national legislation. On-call work is regulated in the labour code.
Ireland	No	There is no definition in Irish law for 'casual employment' of which zero-hours contracts are a subset (but it is also not prohibited). 'If-and-when' contracts mean that a person is offered work if and when the employer requires them. Such workers, therefore, are unlikely to be classified as 'employees' under Irish law, and unlikely to be covered by the legislation.
Italy	Yes	On-call workers are NOT covered by this right. Other forms of atypical workers are covered.
Latvia	No	On-call/zero-hours employment is in principle prohibited since an employment contract must stipulate particular working time.
Lithuania	No	On-call/zero-hours employment is in principle prohibited since an employment contract must stipulate particular working time.
Luxembourg	No	There is no reference to casual, on-call or zero-hours work in Luxembourg's Code of Work.
Malta	No	Casual workers only fall under Maltese labour law if they have an employment contract. Casual work itself is not regulated.
The Netherlands	No	Many forms of casual work are covered by Dutch law and by the WSD.
Poland	Yes	However, casual workers are not regulated in Poland, so they are only covered by labour law if they have an employment contract. However, the definition of employee in Poland is narrower than the EU one.
Portugal	Yes	Intermittent workers are covered by this right. Other forms of casual work (on-demand and zero-hours) are not regulated and have not been introduced in Portugal yet.
Romania	No	Casual workers are not regulated in Romanian law (except intermittent workers), but can exist in practice.
Slovakia	Yes	This right applies to employment contracts regulated by the labour code and can thus exclude casual

Country	Option 5.1 introduced?	Comments on coverage of casual workers, especially those working on-call
		workers.
Slovenia	Partly	The distribution of working time shall be defined in the employment contract (except in case of temporary redistribution). The above right is required regardless of the type of worker, namely each person that concludes an employment contract is provided with the above stated rights.
Spain	No	On-call workers are not legally recognised in Spain, but are also not prohibited so they can exist in practice. Zero-hours contracts are prohibited.
Sweden	No	There is no legal definition of this group, but all labour law, including the rules on written statement (1982 LAS), applies to casual workers.
United Kingdom	No	Most casual workers are considered 'workers' and are therefore not 'employees' as defined in both the labour law of the UK and the WSD. Casual workers do exist in practice.

Source: Own CSES PPMI research.

2.2.2.2. The right to a minimum advance notice period

What does this right entail?

Information about the precise working time might not be possible for casual work (which includes on-demand work). Therefore, such types of workers do not have a fixed working schedule. For employers in need of flexibility, this might be a useful system, but for employees it includes a high level of irregularity and uncertainty. For instance, it may happen that an employee is called to work with a very short or without any advance notice. While an employer cannot notify in advance the exact working time schedule in an on-call employment relationship, he/she could confirm in writing the duration of the advance notice the employee should benefit from before a new assignment.

Why is this right important for atypical workers?

Not all workers in a flexible or atypical employment relationship want this type of work. Many workers are in this position, because they are unable to find a more standard form of employment. Such workers find it difficult to achieve a satisfactory level of work–life balance or to earn enough to sustain themselves. Being asked to be ready to work without advance notice makes these employees extremely dependent on one employer, but at the same time does not guarantee a stable or sufficient income.

The right to a minimum advance notice before a new assignment or a new period of work helps employees plan other engagements of a professional or private nature, and to improve their work–life balance.

Current regulations regarding the right to a minimum advance notice period across the EU

The following table indicates for each Member State whether or not this right has been introduced, which workers are covered and whether or not the target group of on-demand workers are already regulated in law. The table and graph below visualise the distribution of the Member States over the five groups.

Table 20 Categories of coverage among Member States

Type of coverage	Countries
1) The right to a minimum notice period has been introduced and casual workers (including on-demand workers) are covered.	DK, DE, HU, IT, SI, ES, SE (*always*) PT (*intermittent included, but on-demand and zero-hours contracts have not yet occurred in PT*)
2) The right to minimum notice period has been introduced, but on-demand workers are excluded	CZ, FR (*always*) IE (*depending on contract*)
3) The right to minimum notice period has not been introduced, but casual workers (especially on-demand workers) exist in law and would directly benefit.	NL
4) The right to minimum notice period has not been introduced and casual workers (especially on-demand workers) are not recognised in law and therefore require Option 1 in order to be covered by this right.	BE, BG, HR, CY, EE, EL, FI, LU, MT, PL, RO, SK, UK
5) The right to minimum notice period is not introduced, but on-demand work is prohibited	AT, LV, LT

Source: Own CSES PPMI research

The tables show that Denmark, Germany, Hungary, Italy, Portugal, Slovenia, Spain and Sweden have already introduced the right to a minimum advance notice period and apply this to on-demand workers as well (group 1). However, in Slovenia this right only applies to temporary redistribution of time as in general, the distribution of working hours must be defined in the contract. In Portugal, the right exists, but on-demand workers do not exist. Since intermittent workers are explicitly covered, it can be assumed that should on-demand workers exist, this right would apply to them too.

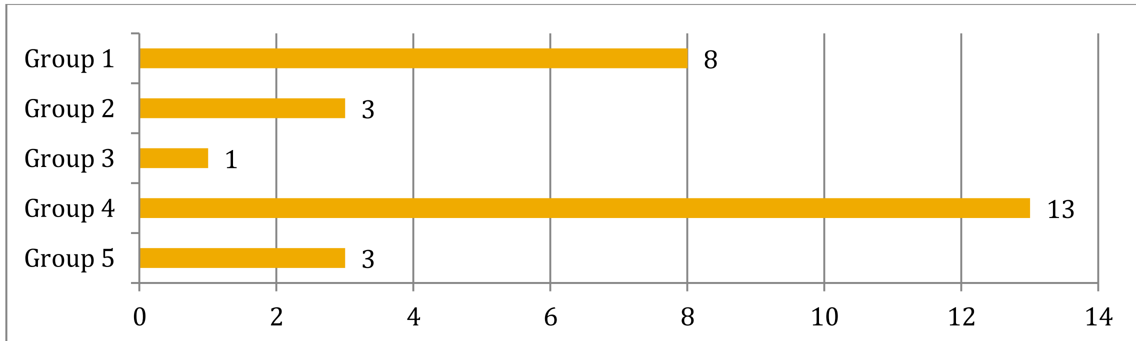
In the case of Czech Republic and France, the right itself exists, but on-demand workers are specifically excluded from it. In Ireland, the coverage of on-demand workers depends on their contract (group 2).

The Netherlands is the only country where on-demand workers exist in law, but the right to a minimum advance notice period does not. Therefore, introducing Option 5.2 will directly affect the on-demand workers (group 3).

In 13 Member States,[73] there is neither the right to a minimum advance notice period, nor a regulation that defines casual workers in law (but they can exist in practice). This means that for these countries, Option 5.2 will not have the intended effect without also introducing Option 1 (group 4).

Lastly, in Austria, Latvia and Lithuania, on-demand work is prohibited and therefore the target group does not exist (group 5).

Figure 12 Distribution of Member States over the five categories of coverage



Source: Own CSES PPMI research.

The following table shows in more detail for each Member State whether or not this right has been introduced, which workers are covered and whether or not the target group of on-demand workers are already regulated in law. The latter affects the impact that introducing this right would have either by itself or together with Option 1.

Table 21 The right to a minimum advance notice period in national legal systems

Country	Right introduced in law?	Comments on coverage
Austria	No	Zero-hours and on-call contracts are banned. However, experts believe this right could provide better security for workers such as seasonal workers.
Belgium	No	The interviewee of VBO (employers' representative) is of the opinion that options 5.2 and 5.3 are covered by similar (but not identical) rules in Belgian labour law. On-call and zero-hours are not regulated in Belgium, but exist in practice.
Bulgaria	No	Casual work is not regulated in Bulgarian law, but also not prohibited. However, in practice it either does not exist or happens only very rarely.
Croatia	No	On-call and zero-hours contracts are not regulated by law, but exist in practice.
Cyprus	No	Casual workers exist in Cyprus but are not considered employees and are not mentioned

[73] BE, BG, HR, CY, EE, EL, FI, LU, MT, PL, RO, SK, UK

Country	Right introduced in law?	Comments on coverage
		in law.
Czech Republic	Yes, but not for casual workers.	In the case of workers in an employment relationship (even if working hours are shorter than 8 hours a week or if the employment relationship lasts up to 1 month) the employer is obliged to inform employees of the schedule or alterations to it at least two weeks in advance or at least one week in advance in the case of employees under the regime of working hours account. By contrast, the employer is NOT obliged to schedule hours of work of those employees engaged under agreements on work performed outside an employment relationship and there is also no obligation to inform these workers in advance about a new period of work. Therefore, casual workers without this employment relationship are excluded.
Denmark	Yes	Casual workers are covered.
Estonia	No	Zero-hours contracts do not exist. Other casual workers only exist if they have an employment contract.
Finland	No	Casual workers are not regulated by law, but also not prohibited.
France	Yes, for intermittent workers	The right is not extended to other forms of casual workers. On-call work is regulated through collective agreements. Zero-hours workers do not exist.
Germany	Yes	Casual workers are covered.
Greece	No	Casual work exists in Greece in practice, but not in Greek law.
Hungary	Yes	HLC Section 193 (2): The employer shall inform the employee of the time of working at least three days in advance. This applies to casual workers (on-call workers).
Ireland	Yes, but not always for casual workers.	Rights to advance notice of requirement to work may be set out in the employment contract. Generally, an employee is entitled to a minimum of 24 hours' notice of their roster for the week, although Section 17(4) allows for changes as a result of unforeseen circumstances. Therefore, any EMPLOYEE will have minimum advance notice rights protected by national law. Whether or not the legislation applies depends on whether the worker can be classified as an 'employee' under Irish law.
Italy	Yes	On-call workers need to be notified of a new task at least one working day in advance.
Latvia	Partly.	It applies only to those employees working in shifts – the work schedule, according to the labour law, must be announced one month in advance. On-call/zero-hours employment is in principle prohibited since an employment contract must stipulate particular working time.
Lithuania	Yes	On-call/zero-hours employment is in principle prohibited since an employment contract must

Country	Right introduced in law?	Comments on coverage
		stipulate particular working time. However, other types of contracts with flexible/variable work schedules exist. In most cases the minimum notice period is 2 weeks. In the case of temp agency workers – the notice period is 2 days. In the case of an employment contract for several employers – 5 days.
Luxembourg	No	Different types of casual workers are not regulated by law in Luxembourg, but can exist in practice.
Malta	No	Casual workers only fall under Maltese labour law if they have an employment contract. Casual work itself is not regulated (but also not prohibited so it can exist in practice).
The Netherlands	No	Casual workers are in general covered by the labour law.
Poland	No	Casual workers are not regulated in Poland, so they are only covered by labour law if they have an employment contract. However, the definition of employee in Poland is narrower than the EU one. The working time pattern for an employee shall be available to him/her at least one week prior (Article 129, labour code)
Portugal	Yes	For intermittent workers, the employer should respect a notice of 20 days for each period of work. On-call work and zero-hours contracts do not exist (though are not illegal).
Romania	No	Casual workers are not regulated in Romanian law (except intermittent workers), but can exist in practice.
Slovakia	No	Casual workers can exist in practice but are not regulated by Slovak law.
Slovenia	Yes	In accordance with the ERA-1 the employer is obligated to inform all employees in writing on the temporary redistribution of working time no later than one day prior to the distribution of the working time. In accordance with the above all employees that have concluded an employment contract have this right. Zero-hours contracts are prohibited.
Spain	Yes	The minimum notice is 5 days. On-call workers are not a legally recognised category in Spain, but are also not prohibited so they can exist in practice. They are however covered by this right. Zero-hours contracts are illegal.
Sweden	Partly	The employer must give at least two weeks' notice if the work schedule is to be changed. There is no legal definition of a casual workers group, but all labour law applies to them.
United Kingdom	No	Casual workers usually have a work agreement that is not an official employment contract falling under the scope of the WSD.

Source: Own CSES PPMI research.

2.2.2.3. Prohibition of exclusivity clauses and non-competition clauses

What do these clauses entail?

An exclusivity clause is a provision in an employment contract that prevents an employee from performing professional activities for a third party, to the extent indicated in the clause. By signing up to such provisions, employees enter exclusive employment. An exclusivity clause must be distinguished from a non-competition (or non-compete) clause, which prevents an employee from working for a competitor after termination of employment. Exclusivity clauses are only in force during the time of employment. Both types of clauses can be compensated monetarily.

Example of an exclusivity clause:
"Except with the prior written consent of the Board, an Employee will not - during employment with the Company– undertake or engage in any other employment."

Example of a non-compete clause:
For twelve months after the termination thereof, you will not, anywhere in the Territory, on behalf of any Competitive Business perform the same Job Duties.

Why are they relevant for this group of workers?

As the nature of work of a casual worker often includes flexible and minimal working hours, a casual worker may need to pursue secondary employment in order to make a living. Often, casual workers are low-skilled and require extra protection, since their wages are often already low and they are more dependent on a second job. Retirees and students also work as casual or flexible workers alongside their main activity, but are less vulnerable. Exclusivity clauses directly interfere with the nature of the 'flexible' form of employment by restricting the person's ability to pursue secondary employment. Therefore, an exclusivity clause is likely to have a stronger effect on casual workers in the above-mentioned vulnerable positions than on workers in a more standard form of employment. The compensation for exclusivity clauses plays again a bigger role among casual and flexible workers as they may be dependent on the extra income they would miss if exclusivity clauses were to be applied.

A prohibition of exclusivity clauses would mainly benefit workers with flexible hours and allow them to find secondary employment. However, it does come with a risk of casual employees finding secondary employment with an entity that is competing with their primary employer. The prohibition would also strongly benefit part-time workers as many part-timers are involuntarily in this position and wish to find additional employment.

Many atypical workers do not have a permanent contract and are therefore only employed for a short period of time. A non-competition clause can put an unreasonable weight on the challenge to find new employment after ending the temporary job at a company. Furthermore, atypical workers are not always in such an employment position that they have access to important trading secrets. Therefore, it can be questioned whether a non-competition clause is legitimately necessary to protect business interests at the cost of a vulnerable worker looking for new employment.

The prohibition of exclusivity clauses and non-competition clauses across the EU

National regulations regarding exclusivity clauses and non-competition clauses can be divided into four categories, two regarding prohibition and two regarding permission: With regards to the prohibition of exclusivity clauses and non-competition clauses, countries have either fully prohibited these clauses or they are prohibited in general, but legal exceptions are provided by law. With regards to these clauses being allowed, they are either fully allowed or allowed within the scope of the law or good faith. In these cases, compensation can be provided.

The difference between the prohibition and permission groups is that in the former, the exclusivity clause is in principle prohibited and can only be used in exceptional circumstances regulated by law. In these countries, most workers will likely not suffer from exclusivity clauses. In the latter group, the exclusivity clause is in principle allowed, although regulated. This means that there may be a larger group of workers subject to such a clause. The division of countries over these categories is as follows:

Table 22 Categories of regulations regarding exclusivity and non-competition clauses among Member States

	Exclusivity clause regulation	Non-competition regulation
1) Fully prohibited	BG, EE, (*also for part-timers*) CZ, DK, IT, UK (*Only for casual workers*)	
2) Prohibited, but with exceptions in law	CY, DE, HU, SI	
3) Allowed, but within (legal) boundaries	BE, HR, FI, EL, LV, NL. PL, PT, RO	AT, BE, FI, FR, DE, EL, IT, LV, LU, NL, PT, RO, SK, UK
4) Allowed	AT, FR, IE, LU, LT, MT, ES, SE, SK	BG, HR, CY, CZ, DK, EE, HU, IE, LT, MT, PL, SI, ES, SE

Source: Own CSES PPMI research.

Regarding exclusivity clauses

In Bulgaria and Estonia, the exclusivity clauses are prohibited for both casual workers and part-time workers. Czech Republic, Denmark, Italy and the UK only prohibit the exclusivity clause for (certain) casual workers.

Cyprus, Germany, Hungary and Slovenia have a general prohibition of exclusivity clauses, but the law also provides the exceptional circumstances when they are permitted.

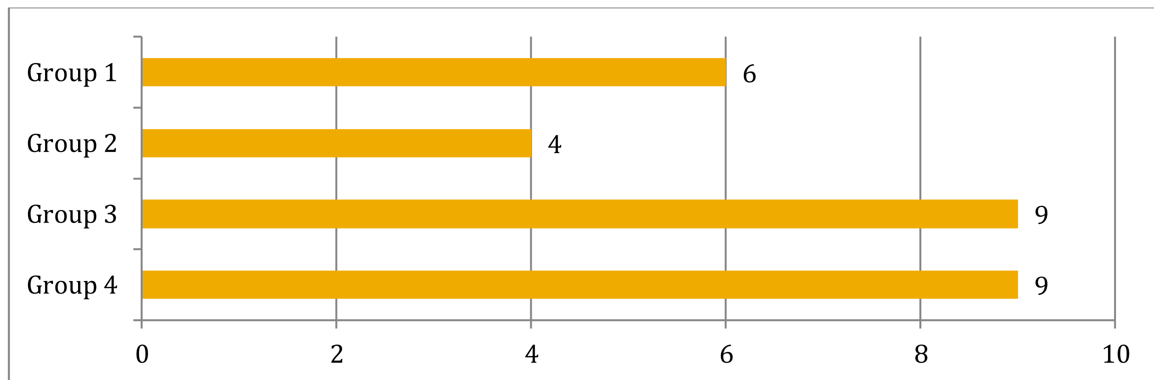
In most of the Member States, exclusivity clauses are allowed. However, in half of these countries[74] the law, case-law or common principles of law state the circumstances under

[74] BE, HR, FI, EL, LV, NL. PL, PT, RO

which such clauses are not allowed. For example, in the Netherlands a judge can declare an exclusivity clause void is it is too strict or unreasonable.

The other half[75] fully permits exclusivity clauses. In Lithuania and Spain, the law also regulates the amount of compensation that must be paid.

Figure 15 Distribution of Member States over the four categories regarding exclusivity clauses



Source: Own CSES PPMI research.

Regarding non-competition clauses

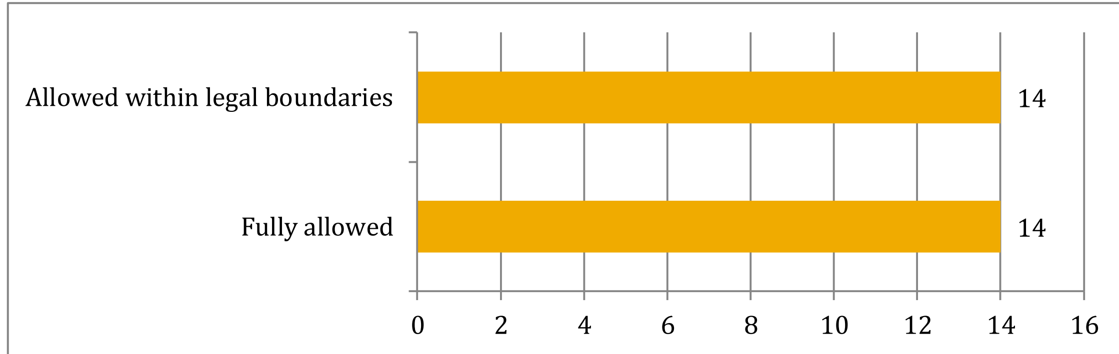
The table shows that all Member States allow non-competition clauses either fully or within certain boundaries.

The 14 countries that included criteria for the legality of a non-competition clause often mention a minimum salary that must have been earned, the maximum length of the clause after termination of employment and the specific sector in which no employment or business activities may be conducted.

In the other 14 countries, not all non-competition clauses are automatically always allowed. If a non-compete clause seems unreasonable, a court can still declare it null. In Spain, Sweden and Lithuania non-competition clauses are allowed, but must always be met with compensation.

[75] AT, FR, IE, LU, LT, MT, ES, SE, SK

Figure 16 Distribution of Member States regarding non-competition clauses



Source: Own CSES PPMI research.

The table below shows in more detail the national regulations of each Member State regarding exclusivity clauses and non-competition clauses.

Table 23 Regulations of Member States regarding exclusivity and non-competition clauses

Country	Exclusivity clauses	Non-compete clauses	Comments on coverage
Austria	Allowed	Allowed under legal criteria	Zero-hours and on-call contracts are banned. The employee may not be a minor, the non-competition clause may not be longer than one year and gross salary must have been over EUR 3 240 per month.
Belgium	Allowed, but there is case-law about it, based on good faith	Allowed by law if gross annual salary exceeds € 33 472	On-call and zero-hours are not regulated in Belgium, but exist in practice.
Bulgaria	Not allowed.	Allowed.	Casual work is not regulated in Bulgarian law, but also not prohibited. However, in practice it either does not exist or happens only very rarely.
Croatia	Allowed (but rarely used for casual workers)	Allowed	Without the employer's agreement, the worker may not on his/her own account or on the account of third parties enter into business transactions in the field of economic activity pursued by his/her employer. On-call and zero-hours' contracts are not regulated by law, but exist in practice.
Cyprus	Prohibited, with exceptions in law.	Allowed	Casual workers exist in Cyprus but are not considered as 'employees' and are not mentioned in law.
Czech Republic	Prohibited for atypical workers.	Allowed	Employees in a standard working relationship can be subject to an exclusivity clause.
Denmark	Prohibited	Allowed	Restrictive covenants require a written agreement which must stipulate that the employees are entitled to compensation of no less than 50 per

Country	Exclusivity clauses	Non-compete clauses	Comments on coverage
			cent of the employees' total monthly compensation. There is no legal definition of casual workers in law, but they exist in practice.
Estonia	Prohibited	Allowed	A non-compete clause may be entered into if it is necessary to protect the employer's special economic interest, to maintain confidentiality of which the employer has a legitimate interest. Zero-hours' contracts do not exist. Other casual workers only exist if they have an employment contract.
Finland	Allowed for weighty reasons	Allowed for weighty reasons	Casual workers are not regulated by law, but also not prohibited. During the term of employment, employees have a statutory obligation to keep the employer's trade and business secrets confidential. Non-compete is used for both types of restrictive clauses.
France	Allowed	Allowed under legal criteria	For all employees. The clause must be written in the contract, the company agreement or collective agreement.
Germany	Prohibited, with exceptions in law.	Allowed under legal criteria	All employees can have a second job without agreement of the employer, but during the term of the employment contract, the employee is, in general, not permitted to compete with his employer. Zero-hours' contracts as such do not exist in Germany. On-call and temporary work is regulated.
Greece	Allowed, under the principle of good faith	Allowed only to protect the employer's legitimate business interests	Such terms are scrutinised and deemed invalid, if they are unfair. The criteria for such and assessment contain, among others, the payment of a 'reasonable compensation.' It applies to all types of workers. Without a clause, an employee on a part-time or casual/rotating contract is not prohibited per se to look for other work. Casual work exists in Greece in practice, but not in Greek law.
Hungary	Prohibited, but employees need to consider the interests of the employer	Allowed	Casual work exists in Hungary and is also to a certain extent covered in law. 'Simplified employment and occasional work relationships,' for example, are listed in the law, but are mentioned as not falling under the scope of the labour code. 'During the life of the employment relationship, employees shall not engage in any conduct by which to jeopardise the legitimate economic interests of the employer, unless so

Country	Exclusivity clauses	Non-compete clauses	Comments on coverage
			authorised by the relevant legislation.'
Ireland	Not prohibited, but not common.	Allowed	Exclusivity clauses are not seen as being prevalent in Ireland. The Irish Constitution provides for a right to work and earn a living, and exclusivity clauses could be construed as a denial of that right. Several types of casual workers exist in Ireland, but are not specifically mentioned in law.
Italy	Prohibited for casual workers in most cases	Allowed under legal criteria	Only employees with an employment relationship can be subject to an exclusivity clause. The non-compete clause is valid when it a) is written; b) is rewarded; c) has established limits of object, period or area.
Latvia	Allowed in respect to working for competitors.	Allowed under legal criteria	On-call/zero-hours' employment is in principle prohibited since an employment contract must stipulate a particular working time.
Lithuania	Allowed, with compensation	Allowed, with compensation	On-call/zero-hours' employment is in principle prohibited since an employment contract must stipulate a particular working time. Lithuanian law does not distinguish between exclusivity and non-competition clauses.
Luxembourg	Allowed	Allowed under legal criteria.	It is unusual to grant an employee monetary compensation for exclusivity restriction. Non-compete clauses must comply with seven legal criteria regarding salary and profession.
Malta	Allowed, but usually only applied to full-time employees.	Allowed	There are no laws with respect to non-competition clauses. These are generally regulated under the contract and our courts have deemed them to be unenforceable if they are unfair. Casual workers only fall under Maltese labour law if they have an employment contract. Casual work itself is not regulated (but also not prohibited so it can exist in practice).
The Netherlands	Allowed, but must be reasonable	Prohibited for temporary contracts	In principle, a non-competition clause is only valid for open-ended employment contracts (Art 7: 653-1 BW). However, a competition clause in a temporary contract could exceptionally be valid when the contract also motivates why it is important to include that clause due to business or service interests (Art 7: 653 -2 BW). If a restrictive covenant restrains an employee from working to a significant extent, the court may order the employer to pay damages to the employee for the duration of the

Country	Exclusivity clauses	Non-compete clauses	Comments on coverage
			restraint.
Poland	Allowed in circumstances mentioned in law.	Allowed.	Casual workers are not regulated in Poland, so they are only covered by labour law if they have an employment contract. However, the definition of employee in Poland is narrower than the EU one. Statutory restrictions apply to each employee by operation of law i.e. confidentiality obligation for three years after termination of an employment contract. Other clauses may be regulated in the contract. Exclusivity clauses require an employee to request the employer's consent before undertaking any remunerated activity, including activities that do not compete with the employer. The clause needs to be justified by the scope of the employer's business.
Portugal	Allowed under certain conditions	Allowed under certain conditions	On-call work and zero-hours' contracts do not exist in law or in practice, though they are not illegal.
Romania	Allowed only regarding competitors.	Allowed under legal criteria	As regards prohibition of exclusivity clauses, such exclusivity clauses in the meaning of non-competition during the employment contract period are not prohibited. The employee may be obliged not to work for competitors of the employer during their employment contracts. However, they may work for other employers who are not competitors. Casual workers are not regulated in Romanian law (except intermittent workers), but can exist in practice.
Slovakia	Allowed	Allowed under legal criteria	Exclusivity clauses are not prohibited. Quite the opposite, the labour code requires an employee to report to the employer another employment that is by its character in competition with the employer´s activity. Casual workers can exist in practice but are not regulated by Slovak law.
Slovenia	Prohibited, but the law prohibits working for a competitor.	Allowed	There are two types of prohibition of competitive activity. The first is a statutory prohibition of competitive activities (prohibition of competition – during the employment relationship) and the second in contractual prohibition of competitive activity (non-competition clause – after termination of the employment contract). An employment contract can only be concluded for a defined number of hours per week, so zero-hours'

Country	Exclusivity clauses	Non-compete clauses	Comments on coverage
			contracts are illegal.
Spain	Allowed, with compensation	Allowed	In order for the non-compete clauses to be valid the employer must have an actual business or commercial interest and pay the employee adequate compensation in consideration of such restriction. Exclusivity clauses are always allowed. On-call work and zero-hours' workers are not legally recognised categories in Spain, but are also not prohibited so they can exist in practice.
Sweden	Allowed, but usually regulated through collective agreements.	Allowed, with compensation.	Non-compete clauses are governed by the principle of reasonability. They should be used to protect 'trade secrets.' There is no legal definition of this group, but all labour law, including the rules on written statement (1982 LAS), apply to casual workers.
United Kingdom	Allowed, but not for zero-hours contracts	Allowed under legal criteria	In general, most people who fall into the 'worker' category work in atypical or non-standard arrangements. However, deciding whether the individual is an employee, a worker or genuinely self-employed is becoming more complex.

Source: Own CSES PPMI research.

2.2.2.4. The right to request a more standard form of work

What does this right entail?

The right to request a more standard form of work includes the possibility for casual or flexible workers to address their employer and request or apply for a more standard form of work. This right does not imply an obligation for employers to provide this standard employment, but is considered to include the obligation to provide a written response to the employee's request.

The Part-Time Directive of the EU already requires employers to give consideration, as far as possible, to a) requests by workers to transfer from full-time to part-time work that becomes available in the establishment, b) to requests by workers to transfer from part-time to full-time work or to increase their working time should the opportunity arise; c) the provision of timely information on the availability of part-time and full-time positions in the establishment in order to facilitate transfers from full-time to part-time or vice versa.[76] However, this Directive restricts itself to part-time and full-time workers and does not regulate atypical forms of work.

[76] Council Directive 97/81/EC of 15 December 1997 concerning the Framework Agreement on part-time work concluded by UNICE, CEEP and the ETU.

A similar provision is prescribed in the Fixed Term Directive, which gives employers the obligation to inform fixed-term workers of vacancies in the company that are of a more permanent nature.[77] This Directive does not require employers to reply to any requests by the fixed-term workers or to grant them priority. However, this Directive is limited to providing information on existing vacancies and does not provide fixed-term workers the right to request a more standard form of work in general.

Why is this right important for casual workers?

Casual workers or workers in very flexible employment types are often dissatisfied with such flexibility, but they have to take these jobs because of their inability to find more standard forms of work. This group is considered underemployed and their situation leads to precariousness and segmentation of the labour market. Their current job is of extreme importance to them and they may not want to jeopardise their position by starting negotiations on additional working hours or a full-time position.

The right to request a more standard form of work for such employees, for example after working for a company for a certain period of time, can increase the opportunity for negotiations with the employer about their position. Secondly, by specifically naming this right, casual and flexible workers are more empowered to ask for more hours or more standard work, because they know they are allowed to. The right to receive a response in writing promotes the need for employers to consider this request seriously and could even lead to court cases when employers do not provide thoroughly motivated requests.

EU-wide trends regarding this right

The following table indicates for each EU Member State whether or not the right to request a more standard form of work has been introduced in their legal system and which types of workers are covered by the right. Where the right has been introduced, this means that there is a legal clause in the labour code allowing the worker to request a more standard form of work. Of course, workers are always allowed to ask this as it is part of 'freedom of expression.'

Based on their regulations regarding the right to request a more standard form of work and regarding their coverage of casual workers in law, the Member States can be divided over the following five categories.

Table 24 Categorisation of the right to request a more standard form of work

Type of coverage	Countries
1) The right to request a more standard form of work has been introduced and casual workers are covered.	HR, CY, EL, LT, LU, NL, SI.
2) The right to request a more standard form of work has been introduced, but casual workers	BG, IE, RO, ES (only part-timers and fixed term workers).

[77] Council Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEE.

Type of coverage	Countries
are excluded.	FR, UK (only workers with an employment contract).
3) The right to request a more standard form of work has not been introduced, but casual workers exist in law and would directly benefit.	DE, HU, IT.
4) The right to request a more standard form of work has not been introduced and casual workers are not recognised in law and therefore require Option 1 in order to be covered by this right.	BE, CZ, DK, EE, FI, MT, PL, PT, SK, SE.
5) The right to request a more standard form of work has not been introduced, but (some types of) casual work is prohibited.	AT, LV (on-demand and zero-hours are illegal).

Source: Own CSES PPMI research.

The table shows that in Croatia, Cyprus, Greece, Lithuania, Luxembourg, the Netherlands and Slovenia, the right to request a more standard form of work has already been introduced and covers all types of workers regardless of their legal status (group 1).

In Bulgaria, Ireland, Romania and Spain, this right exists, but only covers part-time workers and fixed-term workers. Therefore, the existing right needs to be extended to casual workers as well. In France and the UK, the right applies to all workers with an employment contract and therefore occasionally covers casual workers. Nevertheless, in order to be fully effective, the right has to be explicitly extended to casual workers (group 2).

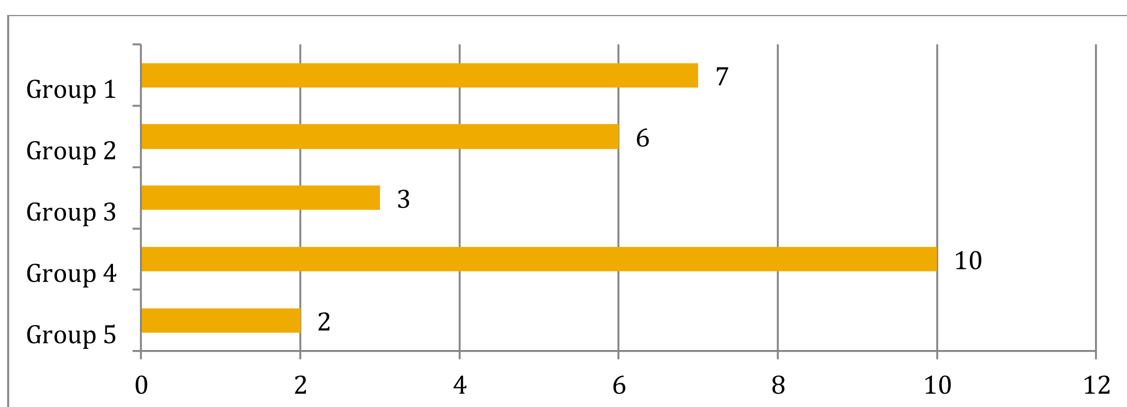
In Germany, Hungary and Italy, different forms of casual work exist in the national labour codes, but the right to request a more standard form of work does not. When the right is introduced, it would be directly beneficial to casual workers as they are recognised in law (group 3).

Ten Member States[78] have not introduced the right to request a more standard form of work and have not regulated casual workers in their labour codes. Therefore, Option 1 is needed in order for Option 5.5 to be directly effective (group 4).

Lastly, in Austria and Latvia, the right to request a more standard form of work has not been introduced, but a large part of the target group of casual workers is prohibited in law, namely zero-hours' workers and on-demand workers. However, introducing the right would still influence other types of atypical workers (group 5).

[78] BE, CZ, DK, EE, FI, MT, PL, PT, SK, SE

Figure 17 Distribution of MS over the five categories



Source: Own CSES PPMI research.

The following table shows in more detail the regulations that Member States have introduced regarding the right to request a more standard form of work.

Table 25 The right to request a more standard form of work

Country	Right introduced in	Comments on coverage
Austria	No	Zero-hours and on-demand work is prohibited. Employers are obliged to notify part-time workers of open vacancies. One casual contract cannot be replaced by another.
Belgium	No	Casual workers have no right to request. A part-time worker can ask for a full-time job only if there is a vacancy for such job. Casual workers are not regulated in law.
Bulgaria	Partly	Casual workers (in the sense of fixed term-contracts) are allowed to request a more standard form of work. There are no regulations regarding other types of casual workers.
Croatia	Yes	They are allowed to request a more standard form of work, but the employer makes a decision and he or she is not obliged to fulfil the request.
Cyprus	Yes	According to the 2002 Law on Part-time Work (No 76 (I)/2002) employers must consider employees' requests to transfer from part-time to full-time. This right applies to both part-time workers and casual workers.
Czech Republic	No	Employers are obliged to provide workers with a standard form of employment if the extent of work is larger than the extent allowed for by law. There is no other legal right to request a more standard form of work.
Denmark	No	There is only a right to request part-time work. There is no legal definition of casual workers and their legal status therefore depends on their contract.

Country	Right introduced in	Comments on coverage
Estonia	No	This right does not exist either for more standard work or to become part-time. Casual workers are only covered by law if they have an employment contract.
Finland	No	Under Finnish law part-time workers must be offered more or even full-time work if the employer needs more employees. Casual workers exist. but it depends on each individual case whether the case meets the criteria of an employment contract.
France	Partly	The right is provided to employees. Therefore, it applies to part-time workers and other flexible workers, but not automatically as it depends on the contract.
Germany	No	Some collective agreements guarantee preferential treatment of part-timers who wish to work full-time and an obligation of the employer to inform on vacancies in the company collective agreements.
Greece	Yes	All workers in dependent employment can request a more standard form of work. However, given the very high unemployment and under-employment in Greece, workers do not normally dare to make demands on the employer.
Hungary	No	Only full-time employees can request to work part-time, but not the other way around. On-demand work and other types of 'simplified' contracts are recognised in law.
Ireland	Partly	Part-time workers can request full-time employment according to the Irish Code of Practice (not legally binding).
Italy	No	No right to request, but other mechanisms exist where contracts are automatically changed to permanent when a certain number of hours have been worked. On-demand work is regulated.
Latvia	No	Only full-time workers can request part-time employment. On-demand and zero-hours work is not allowed.
Lithuania	Yes	All employees have a right to request to change their contract. An employer is obliged to reply.
Luxembourg	Yes	Employees can request a new form of employment but there is no obligation for the employer to reply. Casual workers do not exist.
Malta	No	The right to request a new form of employment and the right to training are not specifically regulated but neither are they excluded. An employee could always come to an arrangement with the employer depending on the circumstances however it is up to the parties to agree.

Country	Right introduced in	Comments on coverage
The Netherlands	Yes	Employees have the right to request an adjustment of hours. The employer can only refuse to accept the request in cases where it is significantly against business interests.
Poland	No	Only full-time workers can request telework. Most forms of atypical work are not regulated.
Portugal	No	The right itself does not explicitly exist, only for part-time workers. Intermittent workers are recognised by law, on-demand and zero-hours' workers do not exist in Portugal (though not illegal).
Romania	Partly	The right applies only to fixed-term and part-time workers. Casual workers exist in Romania, but are not legally recognised.
Slovakia	No	The right only exists for full-time workers in case of weighty reasons such as health or
Slovenia	Yes	In accordance with Article 49 of the ERA-1, any contracting party has the right to propose a change to the employment contract. However, the opposite party is not obligated to accept the proposed change nor does it have to reply. Zero-hours work is illegal.
Spain	Partly	The right is only extended to part-time workers. Casual work is covered by the national legislation, as long as the contract has a minimum duration of four weeks.
Sweden	No	However, there are regulations that transform a contract automatically to a more standard type when a certain number of hours have been workers.
United Kingdom	Partly	The right to request a more standard form of work is only granted to casual workers who have an official employment contract.

Source: Own CSES PPMI research

2.2.2.5. The right to a maximum probation period

What does this right entail?

Employees appointed to a permanent post are usually first kept on probation for a certain period of time, during which the employer assesses their suitability for the job and if found not suitable, can dismiss the employee relatively easily. This encourages employers to hire new staff and take the risk of not knowing whether they would be a suitable fit for the job. When used appropriately, probation periods can be beneficial to all – with employers addressing their staffing needs, employees finding suitable jobs and thus stimulating the economy through job creation and productivity gains. The latter can be achieved through jobs better matching workforce skills. However, the probation period may be abused, since employers may have a perverse incentive to keep their employees on probation even after they have found them suitable for the job. This means they can dismiss staff more easily and hence save dismissal costs and have more power over

employees. This situation leads to an abuse of employees' rights and possible precarious working conditions.

Therefore, the right to a maximum duration of probation where a probation period is foreseen is important as a preventative measure against 'unfair' extensions of probation. Setting a limit on a probation period provides employees with a certain amount of security, while giving employers the opportunity to find out about an employee's capabilities in a given position. Furthermore, this right fits well with other aspects of the Directive – it enables the employee to be informed about the differences in their key employment conditions during the probation period and after it ends.

Regulations regarding the probation period across the EU

The length of the probation periods around the Member States can be divided among six categories. In some countries, different regulations apply for different types of workers. In other countries, the collective agreements decide on the length.

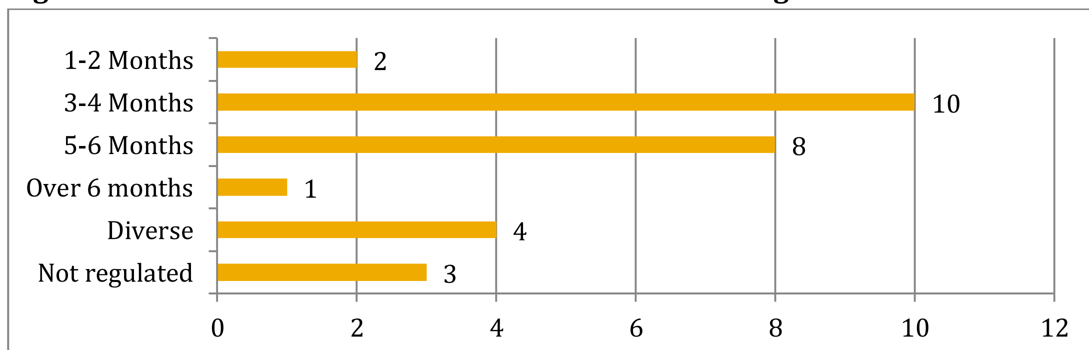
Table 26 Categories of probation period lengths among Member States

Length of probation	Country
1-2 months	AT (*1 month*) NL (*2 months*)
3-4 months	CZ, DK, HU, LV, LT, PL, RO, SK (*3 months*) EE, FI (*4 months)*
5-6 months	BG, HR, CY, DE, LU, MT, SE, SI (*6 months*)
More than 6 months	EL (*12 months*)
Diverse regulations	FR, IT, ES (*in CAs*) PT (*dependent on contract*)
Not regulated in law/CA	BE, IE, UK.

Source: Own CSES PPMI research.

The table shows that most MS have set the maximum length of a probation period at between three and six months in principle. Several countries have allowed for different lengths for more managerial functions or different sectors either by law or by collective agreement, which means that not one maximum duration can be indicated.

Figure 18 Distribution of Member States over the six categories



Source: Own CSES PPMI research.

Several important features can be highlighted regarding the existence of probation periods in the different Member States.

- All Member State experts either indicated that **procedures regarding dismissal are simplified during probation** or did not mention this specifically. None of the experts indicated that similar termination procedures apply to employees on probation.

- Czech Republic, the Netherlands, Portugal, Romania, Spain and Lithuania have specific regulations regarding **probation periods for fixed-term workers**, which are shorter than for workers with open-ended contracts.

- In Cyprus, France, Greece and Hungary, the **probation period may be renewed** under certain circumstances regulated by law.

- In Malta, the first six months of a contract are **always a probation period** unless specifically mentioned otherwise in the contract. On the contrary, in all other Member States there is only a probation period if this is agreed in the contract.

- The UK, Belgium and Ireland are the only countries **without regulations regarding the length of a probation period**. This means that employers and employees are free to agree upon the length of such a period in an individual contract.

- In France, Italy, Lithuania, the Netherlands, Portugal and Spain, **collective agreements** play a big role in either regulation the probation period (FR, IT, PT, ES) or in providing exceptions to regulations in law (LT, NL). In the other countries, all aspects of the length of a probation period are regulated by law only.

The following table shows in more detail the regulations of each Member State with regards to the probation period.

Table 27 Regulations regarding the length of probation periods in the Member States

Country	Length of probation	Comments
Austria	1 month	Employees may be subject to a probationary period of up to one month. This applies to all those classed as 'employees.' It would potentially not apply to 'trainees,' who have an educational element to their work and are therefore not necessarily covered by employment legislation. The probation period is 3 months for apprentices.
Belgium	No maximum regulated in labour law	There is only a probation period for agency work and student work. The general probation period was abolished in 2014. The government is now planning to reintroduce a sort of probation period for all sorts of workers (blue and white collar). The new probation period thus will not have the same consequences as the old one and just entails shorter notice periods in the begin of the contract.
Bulgaria	6 months	Probation periods are up to 6 months and often in practice they are actually 6 months. During the

Country	Length of probation	Comments
		probation period the employment relationship can be terminated very easily (from both sides). In theory, the pay could be lower, but this is not necessarily the case. This is agreed in the employment contract.
Croatia	6 months	The legal limit for probation is six months for all workers. The employer is entitled to terminate the employment contract without a valid cause. Social benefits increase with the length of employment, so fixed-term workers are disadvantaged.
Cyprus	6 Months	The probationary period set by law is 6 months. Furthermore, the contracting parties have the option to extend the probationary period of 6 months for up to 104 weeks provided that this is done in writing. During the probationary period an employee can be dismissed without notice and does not have any right to compensation for unfair dismissal.
Czech Republic	3 months	If a probation is agreed, it has to be done in writing and may not be longer than 3 months (6 months in the case of managers). In the case of fixed-term contracts it may not be longer than one half of the agreed period of the employment relationship. Employers mostly use the maximum probation period. Both employer and employee may terminate the employment relationship without indicating the reason and practically immediately. However, even such termination of the labour relationship must be made in writing.
Denmark	3 months	The right to a maximum probation period already exists and has been set at max. 3 months. This provides added security for employees and ties the employer down to make decisions somewhat longer-term, thus providing increased clarity for all parties.
Estonia	4 months	The length of the probation period is four months unless a shorter period is agreed by both parties. During the probation, it is easier for both parties to terminate the contract. In practice, the wage during the probation is usually lower than after the probation period.
Finland	4 months	A provisional law expected to enter into force after 2018 will extend the period to 6 months.
France	Usually around 6 months, but regulated in CAs	In France, these terms are fixed by collective agreements. These probation periods concern all employees, even homeworkers. Probation period lengths depend on the employee's status (worker, manager, etc.) and the collective agreement. They can last up to 6 months, renewable once. During this period, termination of the contract is very easy for the employer or employee (no reason or notice).
Germany	6 months	Germany already has a maximum probation period of 6 months. The problem is not the

Country	Length of probation	Comments
		probation period but its circumvention by temporary contracts. Probation is sometimes shortened if the newly recruited employee is in a strong bargaining position. It is easier to fire people in the probation period. Salaries are sometimes lower, sometimes not. This depends on the wage system (seniority payment or not) and on the individual contract.
Greece	12 months	The law permits a probationary period of 12 months unless the parties decide differently. In practice, it depends on the skill level of the worker. For medium - and high-skilled labour, the probation period is 6 months. However, as regards unfair dismissals based on the abuse of the employer's termination right, workers on probationary have essentially the same rights as regular workers with more than 1 year of tenure.
Hungary	3 months	In the employment contract the parties may stipulate a probationary period of not more than three months from the date of commencement of the employment relationship. In the event that a shorter probationary period has been stipulated the parties may extend the probationary period once. During the probation period both parties can terminate the employment relationship, without reasons and notice period.
Ireland	No maximum regulated in labour law	Probation in Ireland is a contractual matter, with no statutory regulation. It was noted by the country expert that, under the Unfair Dismissals Acts 1977-2015, it could be argued that there is an implied maximum duration of probation of one year (as Art. 3 of the 1977 Act excludes from its scope workers on probation only where the probationary period is set out in the contract and is under one year).
Italy	Regulated by sectoral agreements	The length of probationary period is not determined by law. The maximum duration of probation is determined by sectoral agreements. This maximum duration can be reduced if agreed by employers and employee.
Latvia	3 months	The probation period must be agreed in the employment contract. During the probation period Both parties can terminate the contract without a term of notice or justification.
Lithuania	3 months	This regulation applies to all workers except fixed-term workers. However, employers usually use fixed-term contracts instead to have a longer probation period. Collective agreements can establish shorter periods.
Luxembourg	6 months in general	As a general rule, a probation period may not exceed 6 months. However, with regard to employees whose level of professional education does not reach the level of the technical and vocational aptitude certificate of technical education, the probation may not exceed 3 months. The probation period

Country	Length of probation	Comments
		may be extended to 12 months if the employee has a significant remuneration.
Malta	6 months	The first six months of any employment are probationary unless otherwise agreed by both parties for a shorter probation period. In cases of employment contracts in respect of employees holding technical, executive, administrative or managerial posts and whose wages are at least double the minimum wage, such probation period shall be of one year unless otherwise specified. The law presumes these periods even if they are not mentioned in the employment contract.
The Netherlands	2 months	A probation period has a maximum period of two months. For fixed-term employees with a contract of less than two years, the maximum period is one month. Collective agreements can deviate from the one-month term but cannot exceed it above two months. Employers are free to dismiss employees except when it is on discriminatory charges.
Poland	3 months	A contract of employment for a probationary period cannot be exceed more than 3 months. Only those with the status of an employee/worker according to Article 2 labour code are covered!
Portugal	Legal maximums differ per contract length	The probation period can be excluded by written agreement between the parties. A collective agreement may reduce the duration of the probation period. According to the labour code the maximum duration of probations is: Permanent contracts – 90 days (general duration) 180 days – for special requirements and technical positions; 240 days – management positions with special confidence requirements Fixed term – 30 days (contracts longer than 6 months) 15 days (less than 6 months)
Romania	90 days	The probation period applicable for all employees is a maximum 90 calendar days for executive positions and a maximum 120 calendar days for management positions. By way of exception, smaller maximum duration is provided for fixed-term employment contracts and temporary work employment contracts, depending on the specific duration of the contract.
Slovakia	3 months	Maximum probation period is 3 months in general, for certain leading professionals it can be up to 6 months. It is not possible to use the probation period repeatedly in case of renewal of fixed-term contracts.
Slovenia	6 months	In accordance with the ERA-1 the probation period may not last longer than six months. The length of probation period also depends on the type of work, for which the employment contract is concluded. During the probation period, the worker may

Country	Length of probation	Comments
		ordinarily cancel the employment contract. If during the probation period or upon its termination the employer establishes that the worker's probation was unsuccessful, the employer may ordinarily cancel the employment contract with the worker. In the event of the worker's or employer's notice of cancellation of the employment contract during the probationary period due to unsuccessful completion thereof, the notice period shall be seven days.
Spain	Regulated by CAs. Usually around 6 months for high-ranked employees and around 2-3 months for other employees	Maximum duration of probation is a matter for collective agreements. As a default rule, the labour code (Article 14) lays down the following limits: 6 months for qualified technical employees, 2 months for all other employees, 1 month for fixed-term contracts with a maximum duration of 6 months. As an exceptional rule, the maximum duration of probation may be one year if the employer employs fewer than 50 employees and the contract is of indefinite duration. During probation, it is easier to fire: no notice, no severance compensation is due. The employer does not have to provide a fair reason for termination during probation. However, the termination may be declared void if it is discriminatory or violates a fundamental right. No difference regarding pay, hours, etc. during probation is legally admissible.
Sweden	6 months	In Sweden, it is normal for a job to start with a probationary period. An employer who wants to terminate a probationary employment during or at the end of the probationary period must notify the employee and the relevant trade union at least two weeks in advance. The termination of a probationary employment does not require objective grounds. Therefore, employees within their probationary period do not have any protection against dismissal. However, a termination must not be based on discriminatory reasons.
United Kingdom	No maximum regulated in labour law	There is no law determining the length of a probationary period in the UK. However, there is an expectation that the employer will be reasonable. It is typical for a probationary period to last no longer than six months, and three months where an employee is moving to a new post internally.

Source: Own CSES PPMI research.

2.2.3. Current situation of other aspects of the Directive

2.2.3.1. Extent to which modification of the information package (Option 2) has already been adopted

The aim of this section is to explore which countries have already gone beyond the current requirement of the WSD in terms of its information package. Namely, where national law requires an employer to:

- inform the employee about the duration and conditions of the probation period;
- inform (i.e. here in the sense of 'indicating which one' to the employee) about the social security system to which the employer is contributing to;
- provide comprehensive information on the national law applicable in case of termination of contract (beyond the mere mention of the notice period, which is already foreseen by the current Directive);
- inform about precise working time (i.e. not only 'the length of the employee's normal working day or week') including the possibility of extra hours, if any.

This analysis forms the basis for further assessment of the impacts of extending the information package requirements of the current WSD.

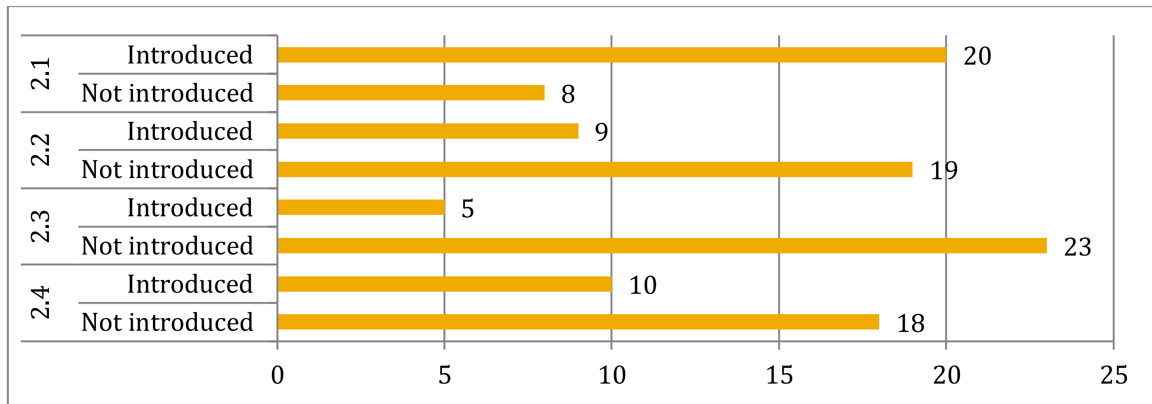
Countries that went beyond WSD requirements

The national legislation of most Member States includes at least some additional information requirements that go beyond the requirements of the current WSD.

In 20 Member States[79] the requirement for employers to inform their employees about the duration and conditions of the probation period (sub-Option 2.1) has already been included.
In nine Member States[80] employees must be informed about the social security system to which their employer is contributing (sub-Option 2.2). Comprehensive information on the national law applicable in case of termination of the contract (sub-Option 2.3) must be provided in five Member States (AT, CY, DE, EL, UK), and information about precise working time including the possibility of extra hours (sub-Option 2.4) must be provided in 10 Member States[81].

[79] CY, CZ, DE, EE, EL, ES, FI, FR, HU, IT, LT, LU, LV, MT, NL, PL, PT, RO, SI, SK
[80] DE, EL, ES, FR, LV, NL, UK
[81] CY, CZ, DE, EL, IE, LU, LV, MT, PL, UK

Figure 19 Introduction of Option 2 across the EU



Source: Own CSES PPMI research.

Most Member States already include information regarding probation periods in their contracts. For the other sub-options, most have not yet included the respective information.

The table below indicates exactly which Member States have introduced which additional information requirements for the written statement.

Table 28 Additional information requirements in the national legislation

Country	Informing about duration and conditions of the probation period	Informing about the social security system to which the employer is contributing to	Providing comprehensive information on the national law applicable in case of termination of contract	Informing about precise working time including the possibility of extra hours
AT	No	No	Yes	No
BE	No	No	No	No
BG	No	No	No	No
CY	Yes	No	Yes	Yes
CZ	Yes[82]	No	No	Yes[83]
DE	Yes	No	Yes	Yes
DK	No	No	No	No
EE	Yes	No	No	No
EL	Yes	Yes	Yes	Yes
ES	Yes[84]	Yes	No	No

[82] If there is a probation period, it has to be communicated in writing at the latest on the date of work commencement and it may not be subsequently extended.

[83] In the case of an employment relationship the information should include not only the weekly working hours but also their scheduling. This does not apply to workers without an employment relationship.

Country	Informing about duration and conditions of the probation period	Informing about the social security system to which the employer is contributing to	Providing comprehensive information on the national law applicable in case of termination of contract	Informing about precise working time including the possibility of extra hours
FI	Yes	No	No	No
FR	Yes	Yes	No	No
HR	No	No	No	No
HU	Yes	Yes	No	No
IE	No	No	No	Yes
IT	Yes	No	No	No
LT	Yes	No	No	No
LU	Yes	No	No	Yes
LV	Yes	Yes	No	Yes
MT	Yes	No	No	Yes
NL	Yes	Yes	No	No
PL	Yes	Yes	No	Yes
PT	Yes	Yes	No	No
RO	Yes	No	No	No
SE	No	No	No	No
SI	Yes	No	No	No
SK	Yes	No	No	No
UK	No	Yes	Yes	Yes

Source: PPMI CSES own research.

Possible magnitude of impact

Greece and Cyprus are the countries which have the most additional requirements for contractual information provision in their national legislation, so the impact of Option 2 (if adopted) might be smallest for those countries. Belgium, Bulgaria, Denmark, Croatia and Sweden have no additional information requirements that go beyond those provided in the WSD. Therefore, the adoption of Option 2 might have a greatest impact on those Member States. Currently none of the Member States have plans to make modifications to the information package.

[84] Article 14 of the Workers' Statute states that a probation period must be in writing specifying its duration.

2.2.3.2. Extent to which modification and strengthening of the means of redress and sanctions (Option 3) has already been adopted

The aim of this section is to explore the current situation (baseline) to find out what means of redress and sanctions, as well as dispute resolution, have been adopted by the Member States. More specifically, whether or not:

- a 'competent authority' can find/impose a solution in case a worker does not receive a written statement (Option 3.1);
- the Member States have set up a formal injunction system to the employer, accompanied by the possibility of a lump sum (Option 3.2);
- favourable presumptions made for the employees established as regards their working conditions in case of (unlawful) absence of written statements (Option 3.3);
- the possibility to access dispute resolution (Option 3.4) is present.

This analysis forms the basis for further assessment of the impacts of modification and strengthening of the means of redress and sanctions in case a worker does not receive a written statement.

Countries that went beyond current WSD requirements

The following table indicates whether or not each Member State has already introduced the three sub-options of Option 3.

Table 29 Extent to which MS introduced the three sub-options of Option 3

Country	3.1 Can a 'competent authority' find/impose a solution in case a worker does not receive a written statement?	3.2 Has the MS set up a formal injunction system to the employer, accompanied by the possibility of a lump sum?	3.3 In case of (unlawful) absence of written statements, are favourable presumptions made for the employees established as regards their working conditions?
AT	No	No	No
BE	No	Yes[85]	Yes[86]
BG	Yes	No	No
CY	Yes	Yes	No
CZ	Yes	No	No
DE	No	No	Yes

[85] The employee can rely on the labour inspection to take care of their complaints about the application of and the respect for their essential labour conditions. The employment tribunal is fully competent. Such a lawsuit is not bound by the requirement of prior proof of default or a complaint filed.

[86] If a fixed-term contract is not concluded in writing before entry into service, it will be held to be a contract for an indefinite period of time.

Country	3.1 Can a 'competent authority' find/impose a solution in case a worker does not receive a written statement?	3.2 Has the MS set up a formal injunction system to the employer, accompanied by the possibility of a lump sum?	3.3 In case of (unlawful) absence of written statements, are favourable presumptions made for the employees established as regards their working conditions?
DK	Yes	Yes	No
EE	Yes	Yes	Yes
EL	Yes	yes	No
ES	Yes	Yes	No
FI	Yes	No	No
FR	No	No	No
HR	No	Yes	No
HU	Yes	Yes	No
IE	Yes	Yes	No
IT	Yes	Yes	No
LT	Yes	Yes	No
LU	No	No	Yes
LV	Yes	No	Yes
MT	Yes	Yes	No
NL	No	No	No
PL	Yes	Yes	No
PT	Yes	No	No
RO	Yes	No	No
SE	No	No	No
SI	No	No	Yes
SK	Yes	Yes	No
UK	No	No	No

Source: Own CSES PPMI research.

Redress

Most Member States have provided for means of redress of the rights conferred by the Directive through the judicial process either in civil courts or special labour courts.[87] In addition, in several Member States labour inspectorates have a monitoring and/or enforcement responsibility, which varies in terms of initiative and instruments available. In most countries, the inspectorates monitor employers' activity and have the power to (1) ensure compliance through coercive orders; and (2) impose fines when breaches are identified at the end of/during inspective actions and procedures.

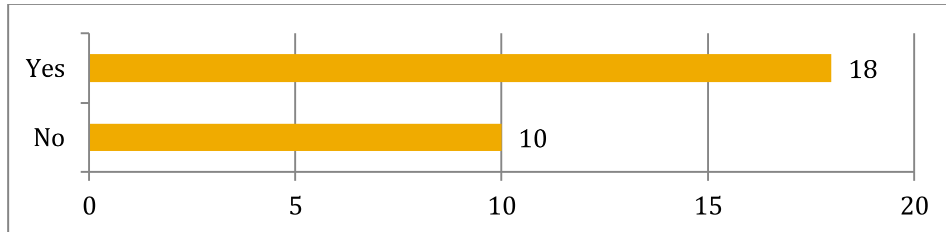
The analysis of available opportunities for redress showed that in almost a third of the Member States the only available means for redress are civil or labour courts, which are considered particularly ineffective as means of enforcement when the only available

[87] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report, p.37.

remedy is damages.[88] Moreover, it is considered unlikely that employees will make use of a lawsuit only to receive a written statement, as previously mentioned. Hence, there might be a need to improve and strengthen alternative mechanisms of enforcement rather than legislative changes alone.

With regards to Option 3.1, the number of Member States that have already introduced a competent authority and thenumber of those that have not, are distributed as follows:

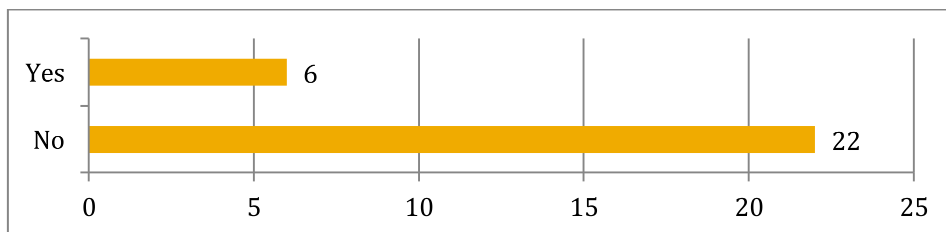
Figure 20 Number of Member States that have and have not introduced Option 3.1



Source: Own CSES PPMI research.

The number of Member States that have regulated favourable presumptions regarding employees without a written statement (or regarding employees in general) are distributed as follows:

Figure 21 Number of Member States that have and have not introduced Option 3.3



Source: Own CSES PPMI research.

In some countries, it was stated that 'if information is missing, it is assumed that normal labour conditions apply.' However, this is normal, because when there is a labour relationship, labour law applicable to that worker applies. This presumption does not put the employee in an advantaged position.

The favourable presumptions that have been measured here are those which affect the employee in a beneficial way. In Belgium, Luxembourg, Germany and Slovenia fixed-term workers are assumed to be permanent workers if their contract is not provided in writing in time or does not stipulate the end date. Estonia and Latvia have regulated several favourable presumptions, namely regarding full-time, permanent work, working hours, existence of a wage and holidays. If a contract does not specify these points, the law states the presumptions.

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[88] Ibid, p.80.

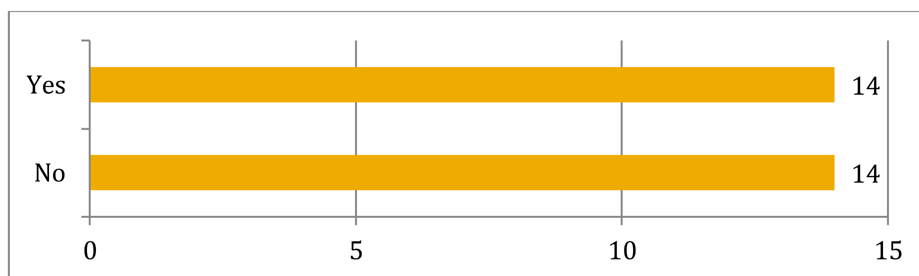
Types of sanctions across Member States

Member States employ different types of sanctions in cases of infringement of rights conferred by the Directive. Most often the sanctions are administrative fines, ranging from EUR 50 to EUR 250 000.[89] However, in most Member States financial compensations can be granted only to employees who prove that they have suffered damage, and only in a minority of Member States can sanctions such as lump sum penalties or loss of permits be imposed in addition on the employer for failure to issue the written statement.[90]

In several cases penal sanctions for violation of the rules can also take the form of a prison sentence (e.g. FR, NO, LU) or civil sanctions, like the prohibition to undertake activities or the loss of licences or permits (e.g. FR, LU). In several Member States (e.g. DK, DE, IE, NL, SE, UK), there are no specific sanctions available, but employees can seek damages.[91]

The numberof Member States which have a formal injuction system accompanied by a lump sum, in case of violations and the number of Member States which have not introduced this system are distributed as follows:

Figure 22 Number of Member States that have and have not introduced Option 3.2



Source: Own CSES PPMI research.

Dispute resolution

The possibility to access dispute resolution (sub-Option 3.4) through a judicial process is provided in all Member States. In five Member States (BE, CZ, DE, SI, SK) there is a possibility of arbitration, although in some countries it is accessible only in case of collective agreements or collective disputes (SI, CZ). The REFIT study has identified some alternative mechanisms to enforce the rights conferred by the Directive, for example, monitoring by the social partners (in Ireland), a conciliation procedure before a special

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[89] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report, p.38.

[90] Second phase consultation of Social Partners under Article 154 TFEU on a possible revision of the Written Statement Directive (Directive 91/533/EEC) in the framework of the European Pillar of Social Rights, C(2017) 6121 final, p.125.

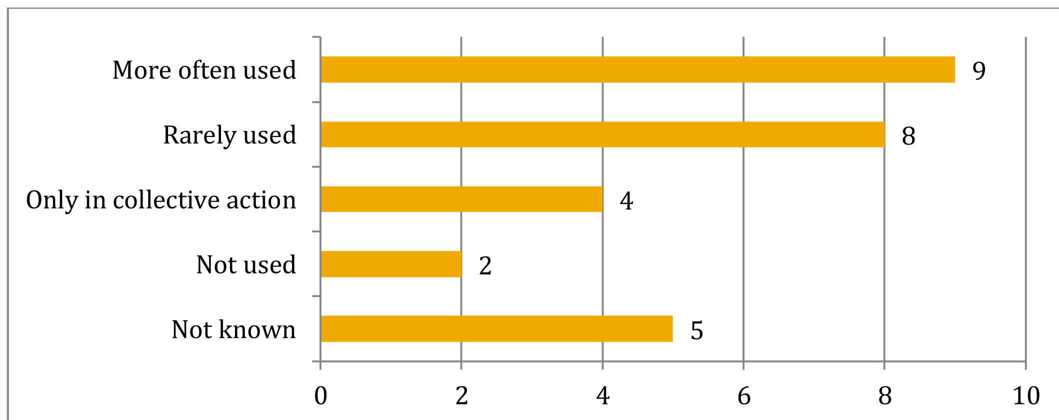
[91] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report, p. 38.

commission (in Poland), decisions by the Employment Committee of the National Social Appeals Board (in Denmark), and mediation of a trade union (in the Czech Republic).[92]

In practice, however, the established means of dispute resolution do not always work. For example, in Greece, both out-of-court and in-court mechanisms provided to resolve individual labour disputes have not proven to be adequate.[93] On the one hand, the out-of-court apparatus does not have adequate powers, because it is not sufficiently staffed and does not use modern means and methods. On the other hand, hearings of labour disputes by civil courts are very time-consuming and cost-prohibitive. Greece is not the only example, its practice is common across many countries.

Almost all countries[94] have the option of mediation available for labour disputes, although in most of them, it is only rarely used. Several countries[95] indicated that mediation is only used in collective actions, for example through labour unions. The use of mediation as dispute resolution can be summarised as follows:

Figure 23 Use of mediation by Member States for labour conflicts



Source: Own CSES PPMI research.

If the possibility of access to effective and impartial dispute resolution for all employment relationships (sub-Option 3.4) is adopted, it will have a major impact on about one fourth of Member States, where experts indicated that the only available means for redress and dispute resolution are civil or labour courts (AT, BG, CY, DE, IT, LU, UK). In other Member States it would also add burden by requiring additional means to ensure better functioning of labour inspectorates or other administrative bodies.

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92 REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report, p.37.

93 Country fiche template: Basic information, Greece, 2017.

94 BE, HR, CZ, EE, FR, HU, IE, LV, LT, MT, NL, PT, RO, SK, SI, SE, UK.

95 BG, FI, CY, ES.

Impacts

There is strong evidence to suggest that remedy systems based only on claims for damages are less effective for ensuring protection of employees' rights and ensuring compliance with the Directive. It is considered unlikely that employees will make use of a lawsuit only to receive a written statement. Moreover, national evidence suggests that workers, especially atypical and more vulnerable, are not willing to obtain their rights through court procedures because they fear to lose their jobs in case they do so and, thus, accept the conditions set by the employer.

Written statements can serve as a protection means for atypical workers in cases when an employment relationship without a written statement or contract is considered to be undeclared work (e.g. in Romania) or when the law says that anybody without a written contract is automatically permanently employed (e.g. in Germany). Such additional legal presumptions seem to have a positive impact on the compliance of employers with the obligation to provide a written contract or a statement (e.g. only 3.5% of employees in Germany do not receive a written contract or statement).

The use of written statements as a protection mechanism appears most effective in conjunction with other protection mechanisms, such as strong labour unions and/or labour inspectorates in place with a mandate to monitor employers' compliance with the obligation to inform. So, the modification and strengthening of the means of redress and sanctions (Option 3) is most likely to have an impact on those Member States that have weak labour unions and/or labour inspectorates, and would therefore need additional resources to set up or strengthen them.

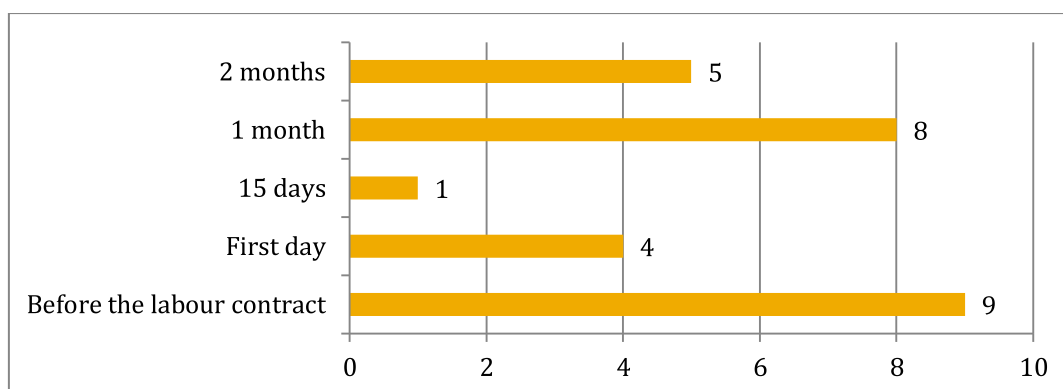
2.2.3.3. Extent to which shortening of the two-month deadline (Option 4) has already been adopted

The aim of this section is to explore the current situation (baseline) to find out which countries have gone beyond the current requirement of the WSD in terms of shortening the two-month deadline for information provision set out in WSD. This analysis forms the basis for further assessment of the impacts of shortening the deadline to one month, 15 days, first day of job or before a labour contract is formed.

Countries that went beyond WSD requirements

The two-month deadline for information provision set out in WSD has been shortened in the national legislation of 23 Member States (see Table 3). Only five Member States (EL, ES, IE, PT, and UK) have no shorter deadline, while one of them (IE) is on the way to shortening the deadline to five days. In most of the Member States which have shorter written statement issue periods the written employment contract must be concluded before the working activity starts (BG, FR, HR, IT, LT, LV, PL, RO, SI) or on the first day of the job (AT, BE, LU). One Member State (HU) has an issue period of 15 days and one Member State (MT) has an issue period of eight working days from the commencement of employment. In eight Member States (CY, CZ, DE, DK, FI, NL, SE, SK) the written employment contract must be concluded within one month of the employment activity.

Figure 24 National deadlines for providing the written statement



Source: Own CSES PPMI research.

Possible magnitude of impact

If the two-month deadline set out in the WSD is shortened to one month, this would have impact on EL, ES, PT and UK. The other 24 Member States would experience no impact, since they already have one month or shorter deadlines set out in their national legislations. If the deadline is shortened to 15 days, this would have an impact on 12 Member States (CY, CZ, DE, DK, EL, ES, FI, NL, PT, SE, SK, UK). Shortening the deadline to the first day of the job would impact the same Member States plus Hungary. If the deadline for information provision is set before the labour contract is formed, this would have impact on most Member States, except nine (BG, FR, HR, IT, LT, LV, PL, RO, SI).

Table 30 Written statement issue periods in the national legislation

Country	No shorter deadline	one month	Fifteen days	First day of job	Before labour contract is formed
AT				+	
BE				+	
BG					+
CY		+			
CZ		+[96]			
DE		+			
DK		+			
EE[97]				+	

[96] If all the information required by the WSD is not included in the contract, the employer has to provide workers with a written statement on details of the rights and obligations arising from an employment relationship within one month from the commencement of the employment relationship at the latest.

[97] According to TLS § 5 (3), if the data has not been communicated to the employee before commencement of work, the employee may demand it at any time (e.g. 4 months after the commencement of employment). The employer is obligated to communicate data within two weeks as of the receipt of such a request.

Country	No shorter deadline	one month	Fifteen days	First day of job	Before labour contract is formed
EL	+				
ES	+				
FI		+			
FR					+
HR					+
HU			+		
IE	+[98]				
IT					+
LT					+
LU				+	
LV					+
MT[99]					
NL		+			
PL					+
PT	+				
RO					+
SE		+			
SI					+
SK		+			
UK	+[100]				

Source: Own CSES PPMI research.

Possible impacts of shortening the deadline

According to REFIT evaluation findings, shortening the two-month deadline (adopting option 4) is considered to have no negative effects for employers, but to have positive effects for employees. The timelines in which information must be provided to employees are no particular burden for employers, even in cases where they are quite short, and

[98] In May 2017, the Government approved a draft legislative proposal to set the deadline at 5 days, and a new Bill is scheduled for autumn 2017.

[99] The employer shall be bound to deliver to the employee a signed copy of the agreement by not later than eight working days from the date of the contract. In cases where no written contract of employment is signed or where the contract does not cover all or some of the information required to be notified to the employee by the Regulations, the employer shall be bound to give the employee a letter of engagement or a signed statement by not later than 8 working days from the commencement of employment.

[100] There is no official discussion about shortening the two-month deadline for provision of WSD. However, in practice, it is becoming more frequent for employers to seek to satisfy the WSD requirements at the same time they establish the contract of employment.

there are no major differences in how burdensome the time frame is.[101] Only a small share of respondents to the employer survey found the time limits particularly burdensome.[102]

The provision of information at the commencement of the employment relationship or as soon as possible thereafter is considered to contribute to both improved employee protection and the fight against undeclared work.[103] Shorter information periods have also been considered as helpful for workers who move between short-term jobs without ever receiving a written statement on their rights.

2.3. Problems arising

2.3.1. Many workers do not receive a written statement leading to a lack of information and therefore risk of abuse

The Directive currently does not cover all workers in the EU as it allows some exemptions and gives Member States the possibility to define whom they consider as 'a paid employee.' There is also a significant lack of clarity in practice whether some categories of workers (e.g. domestic workers) or some new forms of employment (e.g. on-call work or ICT-based mobile work) are covered or not.

Based on the evidence collected from the country experts and statistical databases, the most vulnerable and numerous groups of workers, who do not receive a written statement due to the exemptions, are casual workers, domestic workers, temporary agency workers, platform/crowd workers, paid trainees, also employees with a contract or employment relationship not exceeding one month or employees working no more than 8 hours per week. In addition, due to the ineffective enforcement, there is a significant number of workers in bogus self-employment. According to the national experts, who were consulted for this study, as well as evidence from previous studies, atypical and new forms of employment, which are usually exempt from the Directive's protection mechanism, are more widespread in the older MS, whereas bogus self-employment is more widespread in the new MS (and Southern EU countries to some extent).

The interviewed national representatives of employees as well as employers almost unanimously agreed that the Directive's requirements constitute the absolute minimum of information and rights which should be provided to all workers irrespective of their employment type. According to the REFIT study, not knowing the basic information about their working conditions makes such employees more susceptible to exploitation by the employers. Such workers cannot make informed decisions on whether to accept job offers, they are also more likely to be engaged in undeclared work. The bargaining power of such employees is lower due to the information asymmetries and consequently they

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[101] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report, p.135.

[102] Ibid.

[103] Ibid.

usually receive lower salaries and benefits than other employees, who have a contract. Casual and atypical workers have little knowledge and control over their working hours and are more easily dismissed, thus making it difficult to achieve a satisfactory level of work–life balance, plan a secondary employment or take on other commitments.

2.3.2. Workers that are covered by the Directive receive it too late

As in the case of not getting a written statement at all, receiving it too late could also lead to similar problems. It was concluded in the REFIT study that the two-month period for employers to inform employees was too long, as it increased the potential for undeclared work or abuse of workers' rights.[104] The latter conclusion was also supported by the evidence collected in the current study. Most representatives of employees as well as employers were of the opinion that the two-month period was too long and could worsen employee's working conditions. In addition, according to some of the legal experts and stakeholders consulted for the REFIT study, due to the absence of a requirement to provide an employee with a written statement *before* the commencement of employment, the employee is not assisted in making an informed choice about whether to accept the job and its conditions.[105] Some interviewees pointed to the potential risk of employees never receiving their written statement if they are frequently changing work arrangements. However, it was also pointed out by employers that a requirement to have written information from the first day of employment or before could delay the conclusion of employment contracts.

The two-month deadline for information provision set out in WSD has already been shortened in the national legislation of 23 Member States. In most of these MS the written employment contract must be concluded before the working activity starts (BG, FR, HR, IT, LT, LV, PL, RO, and SI) or on the first day of job (AT, BE and LU). Only five Member States (EL, ES, IE, PT, and the UK) have no shorter deadline, while one of them (IE) is on the way to shortening the deadline to five days. On the other hand, even though there is no legal requirement in the latter countries, most employers provide a written statement within the first week or before the commencement of employment on a voluntary basis. For instance, according to the results of the PPMI employers' survey carried out for this study,[106] in the UK 74% of employers provide this information within one week of the start date or even before. Nevertheless, this number is slightly lower in comparison to countries where the two-month deadline is shortened by the law (that is 81%). In conclusion, there is a wide consensus not only between the MS but also among the employers on the need to shorten the two-month deadline.

As discussed above, in most MS workers have to receive a written statement within the first week. Therefore, it is difficult to collect information about the effects on workers of receiving the written statement too late. One possibility to grasp such effects is to

[104] REFIT study, pp. 63–65.
[105] Ibid, pp. 66.
[106] Information on the survey can be found in Annex 2 EMPLOYER SURVEY QUESTIONNAIRE and ANNEX 3 METHODOLOGY SUMMARY.

evaluate how the enforcement problems affect such employees. For instance, a survey among young people in the Swedish labour market showed that 36% of the young people (20-24) surveyed had not received information on their employment conditions prior to employment, and approximately half of that group still had not received this information one month into employment (i.e. past the deadline set by the Swedish legislation).[107] Not receiving a written statement on time led to the increase in undeclared work and abuse of employee rights. One in four of those aged 18 to 35 have worked without pay for a shorter or longer period, and several have also engaged in undeclared work, to some extent because they were not aware of the nature of the employment upon entering into the agreement.[108]

In conclusion, the provision of information at the commencement of the employment relationship or as soon as possible thereafter is considered to contribute to both improved employee protection and the fight against undeclared work.[109] Shorter information periods have also been considered as helpful for workers who move between short-term jobs without ever receiving a written statement on their rights.

2.3.3. Workers who are already covered by the Directive are unable to gain redress or sanctions that would stop their abuse.

Compliance of employers with the law can be achieved only through strong enforcement (e.g. through labour inspectorates) in each Member State. Therefore, any adjustments to the current Directive would not necessarily lead to higher levels of compliance. However, the general levels of compliance among Member States will be briefly highlighted in order to show the effectiveness of any changes to the Directive.

The strength of enforcement and protection of labour laws by state institutions can differ strongly across the EU. Furthermore, redress is not always dependent on the legal system itself, but also on the accessibility of courts or dispute resolution mechanisms for employees.

Compliance

Compliance in the context of the Written Statement Directive can be described as the extent to which employers provide written statements to all employees recognised by the Directive. Non-compliance means that employers do not follow their legal obligations and are therefore in breach of the WSD and the national law. The table below shows some common compliance patterns among the Member States.

[107] Ibid, pp. 36.
[108] Ibid, pp. 36.
[109] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report, p.135.

Table 31 Examples of issues regarding non-compliance with labour law among Member States

Examples of challenges for compliance
BG, CZ, IE: SMEs are less often monitored and therefore commit more violations.
HR, CZ: In the construction, metal, retail and health care sectors, there are higher levels of violations, especially regarding overtime.
CY, IT: There is a correlation between employees who have not received their WS and undeclared workers.
FR, IT, RO, ES: Smaller companies are more often in violation due to a lack of legal knowledge.
NL, UK: Less compliance in sectors with many atypical workers.

Source: Own CSES PPMI research.

Many experts noted that compliance is very sector specific. The construction sector was mentioned as lacking compliance several times, for example in Bulgaria, Czech Republic and Ireland. It seems that compliance with issuing legal statements to atypical workers is low in the Netherlands despite the fact that these workers are legally regulated. In other countries such as Slovenia, atypical workers do not exist in law, and therefore employers do not need to provide such employees with written statements.

The difference in compliance between SMEs and larger companies is country specific, although there are common trends. In some countries SMEs are less compliant due to weakness of enforcement institutions or a lack of legal resources. In others, SMEs are equally compliant or equally non-compliant as larger companies.

Redress

The opportunity to seek redress is closely linked to compliance. The option to effective redress means that employees can take action to protect their rights when their employer is non-compliant. Every EU Member State has a functioning legal system in which employees can sue their employers in court. However, as employees may find a court procedure too expensive or may fear termination of their employment, current options for redress may not be effective.

Table 32 Examples of challenges to redress among Member States

Examples of challenges to redress
BE, HR, FI, FR, IE, IT, NL: Going to court means destabilising and endangering an already precarious employment relationship.
CZ, FR, EL, IE, NL, SK, UK: Courts are not commonly used because of the slow speed of procedures and/or high procedure costs.
HU, NL, UK: Lack of WS is not enough to start proceedings (hard to prove damage).
IT: Employees in SMEs are less likely to seek redress than employees of larger companies.
PL: Labour law redress only available for official employees and not for workers on civil law contracts.

Source: Own CSES PPMI research.

Each Member State expert indicated that in theory there is no difference between the opportunities to seek redress for standard workers and for atypical workers. However, in practice, many experts noted that atypical workers face more challenges to seeking redress than full-time employees or workers in more standard forms of employment.

The two main issues highlighted by the national experts are visible in many countries around the European Union. The first issue comes from the position of (atypical) workers. Starting procedures before a court can damage employment relationships for already vulnerable workers. Zero-hours workers can, for example, become truly zero-hours by not receiving hours anymore. On-demand workers may not be called upon anymore. Workers rather accept non-compliance by their employers rather than risk endangering their source of income.

The second issue relates to court proceedings themselves. The two main obstacles to getting redress in court are the length or speed of the proceedings and the costs involved in starting a procedure. In some cases, access to a legal institution (court or tribunal) is free of charge, but having legal representation still increases the price of proceedings.

Furthermore, it has been highlighted that the lack of a written statement alone is not enough for workers to seek redress as it is either difficult to prove damages or simply because there are no adequate compensation rules for this violation. Therefore, workers need to wait for an additional violation and include the lack of a written statement in that complaint.

Therefore, it can be concluded that many issues arise for employees seeking redress in the event of non-compliance of their employers with the requirement to provide the written statement. Employees feel that the lack of a written statement alone is not enough to start proceedings, the proceedings themselves are often too slow and expensive and lastly, many employees are afraid their employment may be terminated due to worsened relations with the employer.

2.3.4. Workers that are covered by the Directive may receive insufficient information

Although the 'information package' prescribed by the Directive (i.e. the list of items under Article 2(2) of the Directive) is seen as quite effective by many stakeholders,[110] a few essential information items are still missing from this package. As indicated by the national experts, who were consulted for the purpose of this study, in the age of intensive labour migration between the EU MS, the standard package of information prescribed by the Directive is not sufficient any more. Based on the analysis of the status quo situation in the MS, we identified the three most pressing issues that usually arise from insufficient information:

- **Lack of comprehensive information about the national law applicable in case of termination of contract.** According to the national experts, most of the labour lawsuits which are brought to courts are related to the termination of the labour contract. This shows that the dismissal of the employee is the most sensitive sphere in labour relations where employees feel that the most injustice is done. The lack of information about the conditions of dismissal negatively affects the employee's ability to protect his/her rights and could create a pervasive incentive for the employers to exploit such opportunity. Currently only three MS require comprehensive information on the national law applicable in case of termination of contract to be provided.
- Another highly sensitive issue, which was mentioned by a significant number of national experts, was that most migrant or low-skilled **workers lack information about the social security system to which their employer is contributing to**. Uninformed workers put less importance on social benefits than on such immediate gains as higher wages. Therefore, studies show, that casual and other atypical workers are less likely to ask for and receive proper social protection than standard workers. This leads to a macroeconomic problem when workers in the most precarious jobs and in critical need of social protection, get poor or no social guarantees.
- Finally, the most pressing issue, as indicated by the national experts, is the **lack of information about precise working time** including the possibility of extra hours. It is important to note that information about precise working time might not be possible for casual work (which includes on-call work) or platform workers. This issue is further explored in the section below.

The case of providing information about the **duration and conditions of the probation period** was not seen as problematic by most national experts. This could be explained by the fact that most MS (around 20, in total) already require to such information to be provided in the labour contracts or in other forms of written statement.

[110] SPECIFICATIONS – TENDER NO. VT/2016/062

2.3.5. Casual and atypical workers lack basic rights and suffer poor working conditions.

The requirements of the Directive were created more than two decades ago. The changing nature of work and the new forms of employment that emerged since raise new problems and require different solutions to those that the Directive can offer. Most national experts indicated that the requirements of the current Directive no longer correspond to the needs of atypical employees, casual workers being the most vulnerable and in need of protection. The requirements that are stated in the Directive can no longer guarantee the provision of basic rights information for casual workers. Furthermore, in some cases the requirements of the Directive can be seen as too strict and as potentially undermining the flexible nature of casual work.

The vulnerability of casual workers derives from the very flexible nature of their work and the very flexible working time. The flexibility comes in three dimensions and has negative consequences on casual workers' well-being:

- **Varying number of hours worked** from one period of time (for example, a week) to another. This leads to fluctuations in income, which puts low-paid workers in an especially vulnerable position. This affects a large proportion of casual workers, as casual employment relationships arise mainly in sectors with seasonal fluctuations, such as agriculture and tourism, or with variable demand, such as hospitality and care work. These industries tend to be low-paying and employ a higher proportion of low-skilled workers, women and young people. Workers tend to combine these jobs with other jobs.
- **Absence of a reference period in which working hours may vary.** Casual workers might be called almost anytime and asked to come in to work. A lack of knowledge when one might be called in for work makes it difficult to combine jobs and hence earn enough income. In addition, absence of reference hours makes it more difficult to plan other activities and puts a strain on private life as well.
- Call-in workers can **receive a very short notice before the actual start of work** or even no notice of the shift cancellation, while declining a job offer results in a decreasing chance of being contacted again. This, combined with low wages, puts pressure on casual employees to accept most calls for work. As a result, such workers experience longer hours and a worse work–life balance as well as mental stress arising from insecurity about the next assignment.

Poor working conditions are amplified by some casual workers having **exclusivity clauses** in their contracts, meaning that they cannot work for anybody else without the permission of their employer. The exclusivity clauses are currently allowed in 18 countries (BE, HR, FI, EL, LV, NL, PL, PT, RO, AT, FR, IE, LU, LT, MT, ES, SE, and SK[111]), even though it is not yet widely used for casual workers. Nevertheless, in countries where exclusivity clauses were popular among employers of casual workers, it had detrimental effects on casual workers' income levels, working conditions and raised other issues. For example, in the UK, where exclusivity clauses became extremely popular, the government had to ban it for casual workers on zero-hours' contracts.

[111] In BE, HR, FI, EL, LV, NL, PL, PT, RO exclusivity clauses are allowed but with legal boundaries.

Given that casual workers do not work full-time all the time this can leave them without work for periods of time. This, in combination with being generally low-paid, leads to low income levels. The fewer hours casual workers normally work, the more impact exclusivity clauses have on their income. Therefore, casual workers on zero-hours contracts, which do not guarantee any minimum hours of work, can potentially experience the greatest negative effect of exclusivity clauses and be left without work-generated income for periods of time. Exclusivity clauses can have a negative effect on any worker who is not employed full-time or does not receive a salary equivalent to a full-time salary.

Having no right to **request a more standard and full-time form of employment** (with the associated greater regularity of working hours, steady income, etc.) leads to casual workers suffering poor working conditions continuously. Without an explicit right to request a more standard form of employment casual workers might not attempt to do so for fear of being laid off. Given that casual workers tend to be low-skilled[112] and less likely to receive training[113] it is difficult for them to find employment elsewhere and puts them in a vicious circle of being casual workers and suffering poor working conditions.

Having no right to request a more standard and full-time form of employment also has a negative effect on other workers, namely all workers, who work less than full-time hours or are on fixed-term contracts, but would prefer to work more hours or be on an indefinite-term contract.

2.3.6. Higher-level problems

The causal chain between not having sufficient information on working conditions and its macro-level impacts is very complex. There are few studies that have analysed the causal link between the lack of information and such higher-level problems as poor working conditions or loss of workers' incomes, etc. Various studies have demonstrated that groups of workers who are not covered by the WSD have worse working conditions, poorer health, lower and sometimes insufficient income, lower satisfaction with work–life balance, etc., in comparison to other types of workers. Such evidence does not prove that not having a written statement alone has caused the latter problems as there are many other possible explanations, but it is a strong indication that receiving a written statement on time plays an important role in ensuring good working conditions and effective protection of worker's rights.

For example, a 2015 Eurofound study provided extensive evidence of abuse of the rights of employees who are excluded from the Directive's protection mechanism, such as domestic workers, as well as workers engaged in different forms of new and atypical

[112] Eurofound, p. 62.

[113] For example, a study carried out in Ireland showed that employees on casual contracts are 47% less likely to have received training in the last two years compared to those on permanent contracts (Layte, R., O'Connell, P. J. and Russell, H. (2008), 'Temporary jobs in Ireland: Does class influence job quality?', *Economic and Social Review,* Vol. 39, No. 2, pp. 81-104.)

employment relationships (casual workers, voucher-based workers, platform workers and others).[114]

Casual workers (such as on-demand, zero-hours or intermittent workers) were found to be the most vulnerable. As discussed in the previous sections, their vulnerability is partly determined by the information asymmetries between employers and employees. The lack of information increases the fragmentation and unpredictability of their careers. Work (and therefore income and often social protection) is provided to such employees piecemeal and for a limited time without sufficient prior notice.[115] Casual workers are less likely to receive training and have significantly less job autonomy than standard employees.[116] Such workers can be dismissed relatively easily, they lack regular working hours[117] and, as the Eurofound study has demonstrated, casual work is characterised by poor social protection and little or no access to benefits.[118] According to the ILO study, all this results in little job security, no predictability, less job satisfaction and lower wages.[119] For example, it was found that in Sweden wages for on-call workers are on average 10% lower than for permanent staff.[120] In addition, while casual work can also create flexibility for the worker and result in enhanced opportunities for combining work with, for example, care responsibilities or education, insecurity over the next assignment can cause mental stress and other health problems. A study has shown that on-call work was associated with ill health such as stomach, back and neck complaints, headaches, tiredness and listlessness.[121] The evidence provided by the country experts during this study also shows that even though a high level of flexibility might benefit some of these workers, for most it is too high and they would prefer more continuity that could be achieved with less information asymmetry in the labour relations.

The text box below provides examples of causal work in three Member States

Case examples: casual work in three Member States

The Netherlands. There is evidence that Dutch on-call workers are less satisfied with working conditions, pay and job security compared to regular workers.[122] Based on the results of an online survey of workers employed under on-call contracts, the Federation

[114] REFIT study, pp. 108–120.
[115] Eurofound (2015), 'New forms of employment', Publications Office of the European Union, Luxembourg, p. 66.
[116] Ibid.
[117] Ibid.
[118] Ibid.
[119] ILO (International Labour Organization) (2004), On-call work and 'zero hours' contracts, Information sheet No. WT-15, ILO, Geneva.
[120] Konjunkturinstitutet (2005), Svensk arbetsmarknad, Stockholm.
[121] Aronsson, G., Dallner, M., Lindh, T. and Göransson, S. (2005), 'Flexible pay but fixed expenses: Personal financial strain among on-call employees', *International Journal of Health Services*, Vol. 35, No. 3, pp. 499-528.
[122] De Graaf-Zijl, M. (2012b), 'Job satisfaction and contingent employment', De Economist, Vol. 160, No. 2, pp. 197-218.

of Dutch Trade Unions (FNV) reports that most respondents are unsure about the number of hours they will be working in the week ahead and how much money they will be earning. For nearly half, working hours change weekly.[123] According to FNV, the unpredictability of the work schedule puts an extra strain on workers in this kind of employment, who feel desperate and exploited. Secondary analysis of the Dutch Working Conditions Survey 2008 found that on-call workers have less autonomy and fewer task demands than permanent workers.[124]

The UK. In the UK, zero-hours contracts are characterised by less clearly defined employment rights, less income security and worse work–life balance. A summons to work might come at short notice and result in irregular working hours. There is evidence that workers on zero-hours contracts are more likely to find themselves in low-paid jobs.

Ireland. Casual work in Ireland is characterised by precariousness, poor pay and working conditions, and easy procedures for hiring and dismissal. Employees on casual contracts are 47% less likely to have received training in the last two years compared to those on permanent contracts, and also have significantly less job autonomy.[125]

Domestic workers, most of whom are working on voucher-based contracts, is another category of workers that is usually not covered by the Directive and, as a result, is prone to exploitation. The disadvantages for the domestic workers in a voucher-based system are in some aspects similar to casual workers, as both tend to have casual employment. They include job insecurity, excessive flexibility and little guarantee of employment, as well as cases of no notice period or severance pay, if the employment relationship ceases.[126] The elements that are least satisfactory for voucher workers are usually the salary, physical strain at work and work pressure.[127] On the other hand, according to Eurofound, even though 'voucher-based work entails some job insecurity, social and professional isolation and limited access to career development, it offers workers the opportunity to work legally, better social protection and perhaps better pay.'[128]

Most other groups of workers, which are usually not covered by the WSD, were also found to be more vulnerable than standard employees.

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[123] FNV (Federatie Nederlandse Vakbeweging) (2011), Onzeker werk [Insecure work], FNV Press, Amsterdam.

[124] Wagenaar, A. F., Kompier, M. A. J., Houtman, I., L. D., van den Bossch, S., Smulders, P. and Taris, T. W. (2012) 'Can labour contract differences in health and work-related attitudes be explained by quality of working life and job insecurity?', *International Archives of Occupational and Environmental Health*, Vol. 85, pp. 763-773.

[125] Layte, R., O'Connell, P. J. and Russell, H. (2008), 'Temporary jobs in Ireland: Does class influence job quality?', *Economic and Social Review*, Vol. 39, No. 2, pp. 81-104.

[126] REFIT., p.86-87.

[127] REFIT., p.99.

[128] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.82.

Another important aspect is the Directive's European added value in harmonising working conditions and increasing labour market transparency across the EU-28. According to the REFIT study, the Directive was found to encourage provision of a uniform level of information provision across countries, supporting the free movement of workers and the functioning of the internal market. It could be therefore concluded, that gaps in WSD coverage lead to a lack of labour market transparency across the EU-28 as well as the Directive's failure to improve and harmonise working conditions across the EU-28. In addition, the extent to which atypical forms of employment are actually covered by the scope of the Directive varies greatly between countries. This results in highly fragmented labour regulations for the atypical workers across EU. This could discourage the movement of workers within the EU as well as companies with undertakings in several different Member States or with employees from different Member States.[129] Furthermore, the absence of full coverage by the Directive provides an opportunity for bad employers to undercut good ones in competing to save costs by minimising tax and social security payments. This in turn can lead to decreased tax revenue. Under-employment, resulting from exclusivity clauses for casual workers, also contributes to lower tax revenue.

Taken all together, research evidence points to increased precariousness of new and atypical work contracts that are not covered by the WSD, less favourable working conditions and lower wages compared to regular and permanent employment. Of all non-conventional employment forms, casual work is most often cited as being in need of stronger 'safety nets' for workers.[130] This evidence supports the Commission's intention to revise the scope of the Directive and to improve enforcement, in order to ensure the protection of rights of new and atypical workers.

2.4. How would the problem evolve?

2.4.1. Likely growth in atypical work

The decrease in standard – permanent full-time – employment has been observed in Europe over the last 20 years, together with a growth in non-standard and new forms of employment, especially among young people. This trend has been observed already prior to the global financial crisis, mainly driven by the need for flexibility in the labour market, but also to reconcile work and private life.

Domestic work is likely to increase together with the ageing society, especially in countries with less developed public provision of childcare and elderly care. Currently it is most widespread in the Mediterranean countries, followed by Germany and the UK, while in the Nordic countries and Eastern Europe it accounts for only a minor share of

[129] REFIT.

[130] Ibid., p.3.

employment. Based on the past and current trends, the share of domestic workers might constitute from 0.4% to 0.9% of total employment.[131]

The emergence of new communication and computing technologies has given rise to platform/crowd employment in Europe since the late 2000s or early 2010s. Due to the innovative character of this new type of employment, its future trends are difficult to estimate. Currently it exists in 11 Member States and, based on the observed global trends, its share of total employment in the EU is likely to increase.

Voucher-based work, currently used in about a third of the Member States, is concentrated in the household and agriculture sectors. An increasing trend in voucher-based employment is likely to continue as a means of supporting legal employment in these sectors and giving flexibility to employers. In Belgium voucher-based employment constitutes up to 8% of the total employment.[132]

Traineeships and internship have been increasingly used in Europe as an entry route to many professions. Promoted by the EU and national policy initiatives as a tool to tackle youth unemployment and ensure faster school-to-work transition, the number of paid traineeships is likely to increase.

The share of employment contracts lasting less than one month has been increasing over the last decade and reached 4.8% of all temporary contracts in 2016.[133] In general, fixed-term and part-time employment has grown as a result of labour market reforms aimed at increasing its flexibility and as a work–life balance opportunity. Its increasing trends have been observed both in the times of crisis and economic recovery and are likely to continue. Likewise, casual employment and the number of jobs with no more than 8 hours per week are likely to increase with the growing flexibility of the labour market or decrease as a result of stricter regulation. If current trends persist, the share of casual workers could reach about 7% of all people in employment.[134]

Finally, temporary agency work has emerged in Europe since 1999 and has shown different trends in different Member States, but generally it has increased reaching 1.9% of total employment in the EU in 2015. Temporary agency work increases labour market flexibility, but it has medium to high risk of precariousness. Therefore, despite the general growth, temporary agency work has remained less popular and plays a minor role in all European countries.

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[131] Decent Work for Domestic Workers. The state of labour rights, social protection and trade union initiatives in Europe. An ACTRAV/ITC-ILO report realized in cooperation with ETUC and EFFAT (2012), p.35.

[132] Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p.94.

[133] SWD(2017) 301 final. Analytical document accompanying the Second phase consultation of Social Partners under Article 154 TFEU on a possible revision of the Written Statement Directive (Directive 91/533/EEC) in the framework of the European Pillar of Social Rights, p. 15-16

[134] Based on data provided in Eurofound (2015), New forms of employment, Publications Office of the European Union, Luxembourg, p. 46-61.

To summarise, the emergence of new or non-standard forms of employment seems to be sensitive to labour regulation. Non-standard and new forms of employment grew together with labour market reforms aimed at increasing flexibility and decreased together with stricter labour market regulation and protection of employees. Thus, the main policy challenge with regard to casual work is to harmonise employers' need for flexibility with employees' need for security.

2.4.1. Likely continuance/growth in employee rights abuse

The growth of non-standard and atypical forms of employment observed in Europe over the last 20 years has led to a rise in precarious working conditions associated with such employment.

Poor working conditions are driven by a number of factors. In order to make assumptions about the likely trend of future working conditions of new and atypical employees, each factor and its likely development need to be examined.

First, many workers engaged in new and atypical forms of employment are not covered by the provisions of the WSD. Not knowing the basic information about their working conditions makes such employees more susceptible to exploitation by the employers.[135] Hence, without an extension of WSD provisions to new and atypical workers, such workers might not be aware of their working conditions or these can be changed any time at the will of their employers, with no possiblity to prove what was initially agreed. Therefore, abuse of employee rights is likely to continue in this respect.

Second, those workers who do receive a written statement can receive it too late due to the current two-month deadline requirement for its provision. This increases the likelihood of undeclared work, abuse of workers' rights and a risk of never receiving a written statement if employees are only hired for short-term assignments. Therefore, without the shortening of the written statement provision deadline set in the Directive, the rights of employees on short-term assignments are likely to be violated.

Third, employees who receive written statements are not always provided with all the necessary information, for example: the national law applicable in case of termination of contract, the social security system to which the employer is contributing to, and precise working time. The absence of such information also leads to workers' rights abuse, as demonstrated by the high number of lawsuits related to the termination of employment contracts. Similar to the issues discussed earlier, the situation is unlikely to change without any changes to the information package provision requirements set in the current Directive.

Fourth, some workers who are already covered by the Directive are unable to gain redress or sanctions that would stop their abuse. Employees feel that the lack of a written statement alone is not enough to start proceedings, the proceedings themselves are often too slow and expensive, and lastly, many employees are afraid their employment may be

[135] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC)

terminated due to worsened relations with the employer. Therefore, without an improvement in the means of redress and sanctions, employee abuse may continue.

Fifth, workers in casual forms of employment and with very flexible working hours currently lack basic employment rights: knowing the average number of likely working hours, having a reference period of hours between which they could be asked to work, and receiving a minimum notice before the start of work. Work unpredictability and insecurity leads to unstable and low income as well as a lack of social protection, poor health, a worse work–life balance. Poor working conditions are amplified by some casual workers having exclusivity clauses in their contracts. Having no right to request a more standard form of employment in the event of relevant job openings leads to casual workers being trapped in poor working conditions.[136] Without the introduction of minimum safeguards, poor working conditions and the associated negative consequences are unlikely to change. Therefore, it could be assumed that abuse of casual workers' rights would continue in the future.

In summary, the five examined factors driving precarious working conditions are likely to continue under the assumption of no government intervention. This means that the abuse of workers' rights is also likely to continue in the future. It could be also assumed that the likely future growth in new and atypical forms of employment would have an upward effect on the incidence of workers' rights abuse. In addition, it is possible that new and atypical forms of employment associated with precariousness might spread geographically. This would mean that without the introduction of minimal safeguards, the MS newly introducing such forms would experience the associated workers' rights abuse. This provides an additional argument for improving poor working conditions of casual and atypical workers now, so that MS newly adopting such employment forms would set good working conditions from the start.

[136] Workers' vulnerability is discussed in more detail in the "Problems arising" section of the report.

3. OBJECTIVES

The table below suggests a hierarchy of objectives. Objectives are set at three levels, which then feed into the options for reform:

- **General objective**: is a Treaty-based goal to which the Directive is intended to contribute. In this case, the general objective relates to Article 151 which states as an objective 'the promotion of… improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained.'

- **Specific objectives**: these relate to the specific domain of protecting workers' rights and transparency on the labour market. The specific objectives are taken from the text of the recital to the current Directive.

- **Operational objectives**: these are defined in terms of the 'deliverables' of any reform of the Directive. Two distinct objectives can be articulated. The first relates to the employee's right to essential information at the outset, when changes occur and in advance of being required to work in another country. The second relates to ensuring basic rights in employment contracts or relationships.

- **Options for reform**: these can be categorised under the two operational objectives. Options 1 to 4 relate to the objective of ensuring the provision of information on the essential elements of the contract or employment relationship. Option 5 relates to the provision of new rights.

Table 33 Hierarchy of objectives for a revision of the Directive

<table>
<tr><th colspan="2">General objective</th></tr>
<tr><td colspan="2">Improve and harmonise living and working conditions</td></tr>
<tr><th colspan="2">Specific objectives</th></tr>
<tr><td colspan="2">Provide employees with improved protection against possible infringements of their rights
Create greater transparency on the labour market</td></tr>
<tr><th colspan="2">Operational objectives</th></tr>
<tr><td>• Ensure that every employee is provided with a written document containing information on the essential elements of the contract or employment relationship
• Ensure that every employee is provided with information on any change in the essential elements of the contract or employment relationship
• Ensure that expatriate employees are provided with additional information before their departure</td><td>• Ensure basic rights in employment contracts or relationships</td></tr>
<tr><th colspan="2">Options for reform</th></tr>
<tr><td>Extend the scope and improve the enforcement of existing rights by:
• Extending the scope of application to more workers
• Modifying the information package
• Modifying the means of redress and sanctions and access to dispute resolution
• Shortening the deadline</td><td>Provide new basic rights related to:
• Reference hours
• Minimum advance notice
• Minimum hours
• Prohibition of exclusivity clauses
• Right to request new form of employment
• Maximum duration of probation</td></tr>
</table>

4. POLICY OPTIONS

The research has considered several options, which are not mutually exclusive:

Option 1 involves extending the scope of the Directive by:

- **removing certain exclusions**, including employees working less than 8 hours per week, employees with contracts of less than one month's duration and certain types of casual worker; and
- **including a definition of 'employee,'** so that more workers are brought into the scope of the Directive.

Option 2 involves strengthening the information package by:

- informing about the duration and conditions of the **probation period**, if any
- informing about the **social security system** to which the employer is contributing to
- providing more comprehensive information on the **national law applicable in case of termination of contract** (beyond the mere mention of the notice period, which is already foreseen by the current Directive)
- informing about **precise working time** (and not only 'the length of the employee's normal working day or week') including the possibility of extra hours, if any.

Option 3 involves strengthening the means of address and sanctions by:

- 3.1: requiring Member States to make sure that a 'competent authority' can find or impose a solution where a worker does not receive a written statement
- 3.2: requiring Member States to set up a formal injunction system to the employer, possibly accompanied by the possibility of a lump sum
- 3.3: establish favourable presumptions for the employees as regards their working conditions in the case of (unlawful) absence of written statements
- 3.4: for all employment relationships, possibility of access to effective and impartial dispute resolution.

Option 4 involves shortening the deadline to:

- 1 month
- 15 days
- 1st day of employment
- Before the employment contract is formed.

Option 5 involves providing certain basic rights in employment:

- 5.1: for employment relationships where working time is very flexible, providing for a right to reference hours in which working hours may vary
- 5.2: for employment relationships where working time is very flexible, providing for a right to a minimum advance notice before a new assignment or a new period of work

- 5.4: for casual work, prohibition of exclusivity clauses
- 5.5: for all employment relationships, right to request a new form of employment (and the corresponding employer's obligation to reply)
- 5.9: for all employment relationships (except very specific situations), right to a maximum duration of probation where a probation period is foreseen.

The ToR for the study included additional sub-options that were discarded after discussion with DG EMPL:

- 5.3: for employment relationships where working time is very flexible, providing for a right to a contract with a minimum of hours set at the average level of hours worked during a preceding period.
- 5.7: for all employment relationships, if the thresholds set by the EU relevant legislation are met, possibility of effective collective information and consultation, in particular in the case of decisions affecting the structure of the company and in the case of prospective collective redundancies.
- 5.8: for all employment relationships (except very specific situations), right to training (with or without public support, choice being left to Member States).
- 5.10: for all employments relationships, providing for a right to a reasonable notice period in case of dismissal/early termination of contract, right to receive the reason for the dismissal and right to adequate redress in case of unfair dismissal or unlawful termination of contract.

In addition, one sub-option was incorporated into Option 3 (as sub-option 3.4, shown above), namely:

- 5.6: for all employment relationships, possibility of access to effective and impartial dispute resolution.

Given the number of options and the fact that they are not mutually exclusive, they have been grouped together under four different scenarios for the purposes of analysis.

Table 34 Scenarios for analysis

Scenarios for analysis
A. Baseline: no change
B. Extended scope and strengthened requirements (Options 1, 2, 3, 4)
C. Extended scope, strengthened requirements and minimum rights (Options 1, 2, 3, 4, 5)
D. Repeal of the Directive

5. IMPACTS OF THE OPTIONS

5.1. Overview

The impact analysis has been undertaken in accordance with the Commission's Better Regulations Guidelines. Tool #58 presents a typology of costs and benefits and this has determined the structuring and classification of the expected impacts of each option.

5.2. Option 1: extension of the scope of the Directive

Option 1 involves extending the scope of the Directive by:

- **removing certain exclusions**, including employees working less than 8 hours per week, employees with contracts of less than one month's duration and certain types of casual worker; and
- **including a definition of 'employee,'** so that more workers are brought into the scope of the Directive.

5.2.1. Baseline situation

Of those responding to the survey, the overwhelming majority of employers reported that they already provided written statements for:

- **Employees working less than 8 hours per week (80%)**. Excluding those that responded 'Don't know,' this rises to 86%.
- **Employees with contracts of less than one month's duration (84%)**. Excluding those that responded 'Don't know,' this rises to 88%.
- **On-demand workers (83%)**. Excluding those that responded 'Don't know,' this rises to 85%.
- **intermittent workers (82%)**. Excluding those that responded 'Don't know,' this rises to 85%.

Some differences were observed between countries:

Provision of the WS to all workers and the timing of the provision. German employers (73%) claimed to provide all their employees with the required employment information in writing less often than employers in the UK, IT, SK , PL (83-88%). While analysing the timing of the written statement, we observe that a significant majority of employers in Slovakia (71%) claimed to provide key employment information in writing on the first day of employment or before. Consequently, Slovakian employers were least likely to claim that they would experience additional costs due to the obligation to provide employment information on the 1st days of employment (13% of respondents claimed) and within 15 days of the start date (7%). Meanwhile employers in Poland were the most likely to claim that they would experience high additional costs if they were to provide written employment information both on the 1st day of employment (64% of Polish respondents) and within 15 days of the start of employment (67%).

Provision of the WS to employees with contracts of less than one month. Polish and Italian employers were equally likely to claim that they provide a written statement to employees with contracts of less than one month (93%), while only 70% of respondents in the UK were claiming to provide it to such employees.

Provision of the WS to casual workers. The survey shows that 84-85% of employers from Italy, Poland and the UK claimed to provide written statements to on-demand workers, while only 74% German employers claimed that. German employers were also least likely to claim to provide written statement to intermittent workers – only 68% of respondents checked 'yes.'

5.2.2. Direct benefits for workers

5.2.2.1. Short-term benefits

The proposed revision of the Directive would provide new rights to a written statement for workers who are currently excluded under national legislation. The table below provides the total number of employees likely to be newly covered under Option 1 broken down by category of employment.

Table 35 Number of newly covered employees under Option 1

Form of employment	Number of employees newly covered	Member States affected
Employees working less than one month	657 870	AT, CY, CZ, DE, DK, EL, ES, FI, IE, IT, LT, MT, SE, SK, UK (15)
Employees working less than eight hours	447 230	CY, DK, IT, MT, SE (5)
Casual workers	1 218 000–2 010 197	AT, BG, CZ, DK, HR, IE, SI, UK (8)
Domestic workers	140 900	BG, CZ, DK, EE, HR, HU, IE, NL, PL, SE, SI, SK (12)
Platform workers	64 300–128 600	CY, DK, IT, MT, SE (5)
Voucher-based workers	98 163	AT, EL, LT, SI (4)

Source: Own CSES PPMI research..

The biggest beneficiary group of an extension of the Dirctive is expected to be casual work. In terms of number of countries affected, 15 Member States will have to extend the scope of the Directive for employees working less than eight hours a week.

It should be noted that the **categories** of workers considered are **not mutually exclusive**. A domestic worker could have an employment contract of less than one month or be paid in vouchers. As a result, assuming that each worker can all fall into one of these categories is likely to lead to an overstimation of the impact. **Therefore the overall impact in terms of number of workers newly affected by option 1 is based on the following assumptions**:

- In order to have a conservative approach, the three biggest categories of atypical workers, i.e. employees working less than eight hours, employees with a contract duration of less than one month and casual workers, are assumed to be mutually exclusive.

- Given the nature of their work, domestic workers are likely to fall under the following categories: (i) casual workers, (iii) voucher-based workers and (iii) employees with a contract duration of less than one month. As a result, it is assumed that all the domestic workers affected by this option are already included in these three categories.

- The number of platform workers newly covered by the Directive is calculated for Member States reporting that both platform workers and that people working less than eight hours a week are not covered. As a result, it is assumed that the estimated number of platform workers is already included under the category of employees working less than eight hours.

- As resported in Eurofound (2017), casual workers and voucher-based workers show overlaps.[137] This is likely to be related to the intermittent and on-call nature of the work provided. To calculate the overall affected population of this option, it is assumed that 50% of the voucher-based workers are also included under the category of casual workers.

The table below provides a summary of the assumptions made to estimate the total number of atypical workers newly covered by the Directive.

Table 36 assumptions made to estimate number of atypical workers under Option 1

Form of employment	% of workers calculated	Assumption
Employees working less than one month	100%	Assumed to be a stand-alone category
Employees working less than eight hours	100%	Assumed to be a stand-alone category
Casual workers	100%	Assumed to be a stand-alone category
Domestic workers	0%	Assumed to be already captured by the following categories: (i) casual workers, (ii) voucher-based workers and (iii) employees with a contract duration of less than one month
Platform workers	0%	Assumed to be already captured in the category of employees working less than eight hours per week
Voucher-based workers	50%	Assumed to be partly captured under casual workers

Source: Own CSES PPMI research..

Based on the above assumptions, the **total number of atypical workers newly covered by the Directive is estimated between 2 373 000 and 3 164 400**.

[137] Eurofound (2015), New forms of employment, Publication Office of the European Union, Luxembourg.

It should be noted that **the types of worker that will mostly benefit are less likely to be covered by collective agreements than are other types of worker.** According to the REFIT study, workers, such as migrant workers or young people, are more likely to be vulnerable. For example, the REFIT study highlighted that domestic workers are often particualrly vulnerable in the labour market.

An expanded definition of employee would provide benefits for certain types of atypical worker that are not covered by national labour laws or codes. For example, in Slovenia, some types of casual and atypical workers do not perform work based on an employment contract. For example, zero-hours employment contracts cannot be concluded since an employment relationship can only be concluded under provisions of ERA-1, which requires defined hours per week. Such individuals therefore perform work based on civil law contracts and are not covered by ERA-1 or the Directive.

Based on the REFIT study, it can be expected that **the following benefits will arise to workers newly covered** by an extension of the Directive:

- employees having a better understanding of their basic working conditions and their rights at work;
- improved protection of employees against possible infringement of their rights: by the provision of information on the essential elements of their employment contract or relationship;
- fewer conflicts and (court) disputes between employers and employees, as it helps provide clarity and certainty at an early stage and serves as an important tool for reference in case of disagreement later on;
- better integration of workers in other countries where they have less knowledge of the general conditions that apply in the labour market; and
- better access for workers to social security protection, since benefits are often linked to the duration of employment and employees with short-term contracts can rely on the written statement to prove their employment and can claim stheir social security benefits.

However, it should be noted that **very few workers bring cases against their employers solely on the basis of non-provision or incorrect provision of a written statement.** Analysis of CJEU court cases found that in all cases involving infringement of the Directive, the primary complaint related to the infringement of other rights (e.g. under the Directives on working Time or part-time work) with the infringement of the Written Statement Directive being a 'secondary' issue in support of the main complaint. Interviews of national stakeholders confimed that the situation is very similar at national level. This suggests that **any extension of the Directive would need to be accompanied by strengthened enforcement and redress mechanisms for the full benefits to be realised**.

5.2.2.2. Long-term benefits

The national research for this study has highlighted that non-standard forms of employment have been steadily increasing, which is likely to continue in the short-to medium term. In this context, the evolution of regulatory frameworks towards a more flexible labour market has allowed such an increase in non-standard forms of employment. A good example is Italy: after the policy changes occurred in 2012, the use of

voucher-based work increased esponentially until the second quarter of 2017, when this form of employment was banned in the national labour law. As a result, the number of atypical workers estimated in this section should be regarded as indicative and used carefully.

The expected number of atypical workers in five and 10 years can be estimated taking into account the annual growth rates of non-standard work between 1995 and 2015 (more information is provided under chart 1). Two main assumptions are required:

- The average growth rates between 1995 and 2015 of non-standard forms of employment will continue in the next five and 10 years
- The increase of the forms of employment considered in this study will be the same as the increase of non-standard work across Europe.

Based on these assumptions, it is possible to estimate the total number of atypical workers not covered by the Directive in the short and medium term. Data provided in chart 1 show an increase of roughly 4% of non-standard workers between 1995 and 2015. This increase is achieved through a year-on-year growth rate of approximately 0.6%. Assuming a similar year-on-year growth rate for the atypical workers, it is estimated that the number of workers newly covered by the Directive would be as follows.

- **Between 71 000 and 95 000 additional atypical workers would be newly covered by the Directive in the five years following a revision of the Directive;**
- **Between 144 000 and 192 000 additional atypical workers would be newly covered by the Directive in the 10 years following a revision of the Directive.**

The table below provides a summary:

Table 37 Number of additional atypical workers covered by the Directive

	Existing workers immediately covered	Growth in types of worker newly covered	Total workers covered
After 5 years	2 373 000 - 3 164 400	71 000 – 95 000	2 444 000 – 3 259 400
After 10 years	2 373 000 - 3 164 400	144 000 – 192 000	2 517 000 – 3 356 400

Source: Own CSES PPMI research.

These estimates can be considered to be very conservative. The main reason is that the year-on-year growth rate takes into account the period 1995-2005, where the use of non-standard forms of work was limited and the growth rates are likely to be small.

5.2.3. Direct benefits for employers

The main benefits that would arise to employers, as identified by the REFIT study, will include clarifying the main points of the employment relationship, ensuring there is no

ambiguity in the agreement made. Business associations consulted during the course of the REFIT study identified the advantages to employers of having written information in terms of the legal certainty offered in case of any later dispute between employer and employee.

It is reasonable to assume that the benefits identified by the REFIT study will apply to most/all employers that would have new requirements to provide written statements for certain types of workers. Of course, **the net additional benefits to employers will be modest since employers are free to provide written statements** in the absence of any legal requirement and more than 80% already do so.

5.2.4. Direct costs for employers

This section describes the costs that employers are likely to incur solely to comply with the extension of the Directive. To comply with the Directive, employers are expected to carry out two main activities:

- familiarise themselves with the new legislation, understand the new requirements and adjust the contract templates
- prepare the written statement for employees newly covered by the Directive, as and when they are recruited.

The cost associated with the familiarisation of the Directive for this option is assumed to be close to zero. The rationale used is that virtually all employers already have at least some employees that are covered by the Directive and therefore they are already familiar with the relevant national legislation. However, that a revision would also include some or all of Options 2, 3, 4 and 5, we assume that there would be a fixed cost for each enterprise. This is described in the relevant sections below.

An assessment of the costs encountered by the employer to comply with the Directive has already been carried out in the REFIT study. The study estimates the average cost per employee to provide a written statement across eight selected countries. The result is obtained using two different methods, which can be seen as an upper and lower range of the cost of a written statement. Given the different definition used for SMEs and large companies, it was necessary to use a weighted average to obtain the average cost per contract by size of company. The table below illustrates the average cost of producing a written statement.

Table 38 Average administrative cost of producing a written statement

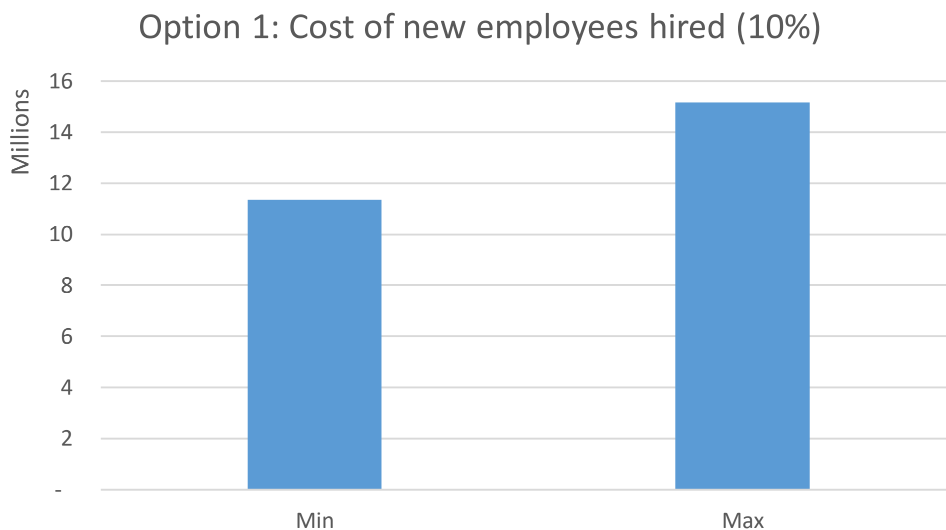
Size of the company	Average cost per contract (in €)	
	Low estimate	High estimate
SMEs (less than 250 employees)	€ 18.10	€ 153.50
Large companies	€ 10.00	€ 45.00
Average (weighted)	€ 17.10	€ 128.70

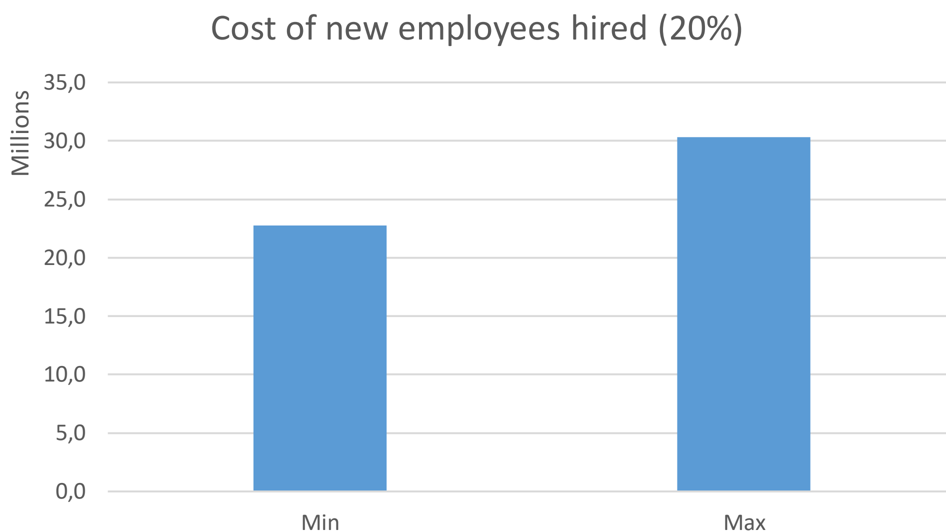
Source: Own calculations based on the REFIT 2016 study.

Employers will have to provide written statements for existing staff in categories that are newly covered by an extension of the Directive. **This one-off cost is estimated to be between EUR114m-EUR 152m**.

In addition, as and when they recruit new staff in such categories, they would have to provide written statements. This would represent an additional cost compared to the current situation. To calculate this cost, we assume that during the course of one year, the number of such new recruits would be equivalent to 10-20% of the current volume of such types of employees. In addition, some existing employees in such categories may exercise their right to request a written statement from the current employer. However, we anticipate that this would be negligible compared to the number of new recruits.

Figure 13 Cost of new employees hired





Source: Own CSES PPMI research.

The annual administrative cost to provide a written statement for new staff in categories newly covered by the Directive would be from EUR 11.4m–30.3 m. These costs are concentrated in a limited number of countries. The Member States most affected by the extension of the Directive are Germany, Italy, Spain and Sweden.

Table 39 Total administrative costs of Option 1 p.a.

Estimated staff turnover p.a.	Estimated cost (€) million
10% of workforce	11.4–15.2
20% of workforce	22.7–30.3

Source: Own calculations based on the REFIT 2016 study.

Taking into account existing staff (newly covered) and new recruits, the total cost following the revision of the Directive would be as follows.

Table 40 Total administrative costs of Option 1 in first year

Estimated staff turnover p.a.	One-off cost (€) million	Annual ongoing cost (€) million	Total cost in first year (€) million
10% of workforce	114-152	11.4–15.2	125.4–167.2
20% of workforce	114–152	22.7–30.3	136.7–182.3

Source: Own calculations based on the REFIT 2016 study.

Regarding administrative burdens, it can be concluded that there will be no additional cost for more than 80% of employers, compared to their 'business-as-usual' arrangements (the survey identified that at least 80% of employers already provided statements for employees not covered). On that basis, **the administrative burden in practice can be estimated at between EUR 25.1–36.5 millon** for the remaining 20% of employers.

In the long-run, it is expected that the number of workers in the types newly-coverd by the Directive would increase (see Section 5.2.2.2 above). Based on the assumption that the average cost for a issuing a written statement would be EUR 47.90, the additional direct costs for employers would be:

- **between EUR 3.4m and EUR 4.5m over five years**
- **between EUR 6.9m and EUR 9.2m over 10 years**

The table below provides a summary.

Table 41 Cost of issuing a written statement for employers

	Immediate cost (€) million	Ongoing costs (10% staff turnover) million	Additional cost (€) million	Total cost (€) million
After 5 years	125.4–167.2	57 –76	3.4–4.5	185.8–247.7
After 10 years	125.4–167.2	114–152	6.9–9.2	246.3–328.4

Source: Own CSES PPMI research.

5.2.5. Indirect costs

It is unlikely that the extension of the Directive to more workers will generate significant **substitution effects**., i.e. it is unlikely that many employers will replace workers newly covered by the Directive with other workers not covered by the Directive. As noted above, more than 80% of employers already provide written statements for employees working less than 8 hours per week, employees with contracts of less than one month's duration, on-demand workers and intermittent workers. It is reasonable to assume that those employers will not adjust their workforce in light of this revision to the Directive.

Moreover, the minority of employers (<20%) not yet providing written statements for these types of workers will face limited opportunities to replace workers newly covered by the Directive since the number of workers not covered by the Directive will be significantly reduced.

The survey of employers did not specifically ask employers whether they would adjust their workforces in light of new requirements to provide written statements. However, as shown in subsequent sub-sections, employers were asked whether they would do so in response to the provision of new basic rights for casual workers. Their responses suggested no clear pattern. But employers were more likely to convert casual work contracts into standard forms of employment than to replace casual contracts with

informal agreements or self-employment contracts. This reinforces the finding that few (law-abiding) employers will replace workers newly covered by the Directive with other workers not covered by the Directive, simply because of the requirement to provide a written statement.

Public authorities would incur some costs related to the transposition of the Directive, but they are likely to be limited. Using as a reference the data from another impact assessment,[138] it is assumed that 20 civil servant working days are required to transpose 'simple' EU legislation into national legislation. This is multiplied by the daily hourly earnings in each country. The daily earnings were calculated by multiplying the hourly earnings provided by Eurostat by the average number of hours worked per day, i.e. eight hours.[139]

Based on these assumption the total one-off cost of implementing the new parts of EU legislation in Member States is EUR 57 456. The table below provides national level break down of the cost related to transposing the new EU legislation into Member States.

Table 42 One-off cost of implementing the new parts of EU legislation

Country	Daily earnings (in €)[140]	Total cost to transpose the new parts of the Directive (in €)
Austria	135	2 694
Belgium	166	3 310
Bulgaria	19	379
Croatia	46	914
Cyprus	90	1 810
Czech Republic	43	862
Denmark	236	4 722
Estonia	47	942
Finland	160	3 198
France	143	2 858
Germany	158	3 162
Greece	80	1 597
Hungary	37	731
Ireland	204	4 090
Italy	131	2 614
Latvia	35	709
Lithuania	31	626
Luxembourg	185	3 694
Malta	82	1 632
Netherlands	167	3 338
Poland	45	904
Portugal	60	1 208
Romania	23	453
Slovakia	43	864
Slovenia	71	1 421

[138] Study for an impact assessment on a proposal for a new legal framework on identity theft, 2012, p. 160.
[139] Hourly earnings by economic activity and contractual working time (enterprises with 10 employed persons or more).
[140] Based on earn_ses14_hftpt.

Country	Daily earnings (in €)[140]	Total cost to transpose the new parts of the Directive (in €)
Spain	100	1 995
Sweden	173	3 459
United Kingdom	164	3 270
Total		**57 456**

Source: Own CSES PPMI research.

5.2.6. Indirect benefits

The REFIT study demonstrated that the current Directive provides numerous benefits for the overall labour market. By extending the Directive to more workers, it is reasonable to expect that such benefits will be increased. They include:

- Helping to **harmonise working conditions across the EU** and reduce social dumping based on regulatory arbitrage,' i.e. unfair competition based on exploitation of differences between national regulatory regimes.
- Supporting the fight against **undeclared work**,[141] with some clear institutional benefits and thus reducing social dumping based on regulatory evasion. The REFIT study showed that the provision of a written statement or a written contract is often an essential element for the declaration of work to the public authorities and in terms of control of other working conditions by the relevant body e.g. labour inspectorates.
- Increasing labour market transparency in the context of **transnational working**. The REFIT study demonstrated that written information available to both employer and employee is vital to reduce information asymmetries between employer and employee, which is particularly important in the context of facilitating free movement of labour. Access to information for employees is likely to encourage greater movement and certainty for employees wanting to work abroad.
- Helping Member States ensure **compliance with the obligations set out in the Posting of Workers Directive**, thus helping to reduce undeclared work.

As demonstrated earlier in this report and in the REFIT study, atypical workers are increasing in number and as a proportion of the overall workforce. **Without an extension of the Directive, the total proportion of the workforce having the right to a written would be likely to fall steadily over time**. This would risk reducing the current positive effects of the Directive and thus undermining working conditions and labour market transparency for the EU as a whole.

As noted above, the REFIT study concluded that the Directive supports the fight against undeclared work. An extension of the scope of the Directive to more workers could be expected to facilitate the shift of undeclared work into the formal economy. This may be because employers choose to formalise arrangements that are currently informal or

[141] Undeclared work is defined at EU level as any lawful paid activity that is "not declared to public authorities" (see "Decision (EU) 2016/344 of the European Parliament and of the Council of 9 March 2016 on establishing a European Platform to enhance cooperation in tackling undeclared work, OJ L 65, 11.03.2016, p. 12"). As well as issues on fraud on social security contributions, undeclared work may also be linked to poor working conditions and/or health and safety norms.

because workers feel empowered to demand a formal contract or because labour inspectorates are better supported in their efforts to detect undeclared work.

Comprehensive data on the extent of undeclared work are, by definition, not routinely collected by the relevant national authorities. However, a recent Eurobarometer survey provides some important indications:

- 4% of adults report that they have undertaken undeclared work in the past year;[142]
- the median income from such work is approximately EUR 300 p.a.[143]

The EU's adult population aged 15-64 years is 333 m.[144] This suggests that there are around 13.3 m people undertaking undeclared work (4% of the population). The total income from such work is approximately EUR 3 990m p.a.

The data above (in section 5.2.2.1) suggest that about 140 900 domestic workers in 12 Member States would be brought into the scope of the Directive, i.e. about 1% of the number of people undertaking undeclared work. Given that other types of undeclared work might also be brought into the formal economy, it seems reasonable to consider that the total shift might be between 1-3% of all undeclared work. If such income is taxed at the EU average tax rate for a single person on 50% of the average national wage (20.66%)[145], then the impact on tax revenues would be as shown in the table below.

Such figures should be treated as no more than an indication which is entirely reliant on the robustness of the Eurobarometer survey data and the reliability of the (untested) assumptions of 1-3% shift of undeclared work into the formal economy.

Table 43 Increase in tax revenues through formalising undeclared work

	Percentage of undeclared work formalised as more workers come under the scope of the Directive		
	1%	2%	3%
Undeclared work brought into the formal economy p.a.	€39.9m	€79.8m	€119.7m
Marginal tax rate	20.66%	20.66	20.66%
Increase in tax revenues p.a.	€8.2m	€16.5m	€24.7m

Source:Own CSES PPMI research.

It is likely that some of the workers brought into the formal economy will also have been receving social security benefits. It is impossible to know with any uncertainty the extent

[142] Eurofound (2013), Undeclared work in the EU.

[143] Own calculation based on the findings of the Eurobarometer survey. Some 69% of respondents gave a figure. Of those, 20% reported <€100, 9% reported €101-200, 17% reported €201-500, 11% reported €501-1000, and 12% reported >€1,000. Based on those figures the median is approximately €300.

[144] European Commission (2017), Employment and Social Developments in Europe 2017.

[145] Eurostat (Tax rate [earn_nt_taxrate].

to which such benefit payments would be reduced once the work is formalised. This would depend on the conditions under which payments are made, i.e. as determined by eligibility rules of national systems, and also whether claims were legitimate or bogus. However, one might assume that the loss of social security payments must be sufficiently small to incentivise the worker to enter the formal economy. On that basis, we might estimate that the reduction in social security payments might be equivalent to no more than 10-20% of the value of undeclared work brought into the formal economy. A very rough estimate would therefore be that savings of EUR 4m-EUR 24m might arise.

5.3. Option 2: strengthening the information package

The basic issue underlying option 2 is to assess which items of information are essential in employment relationships but are currently not mentioned under the standard package of information prescribed by the Directive.

Option 2 involves:

- informing about the duration and conditions of the **probation period**, if any
- informing about the **social security system** to which the employer is contributing to
- providing more comprehensive information on the **national law applicable in case of termination of contract** (beyond the mere mention of the notice period, which is already foreseen by the current Directive)
- informing about **precise working time** (and not only 'the length of the employee's normal working day or week') including the possibility of extra hours, if any.

5.3.1. Baseline line situation

The legal coverage presented earlier in the report has highlighted the Member States where employers are already required in law to provide this information in the written statement. The table below provides a summary.

Table 44 Requirement of employers to provide extra information in a written statement

	Duration and conditions of the probation period	Social security system to which the employer is contributing	National law applicable in case of termination of contract	Precise working time including possibility of extra hours
Provided	CY, CZ, DE, EE, EL, ES, FI, FR, HU, IT, LT, LU, LV, MT, NL, PL, PT, RO, SI, SK	DE, EL, ES, FR, LV, NL, UK	AT, CY, EL, UK	CY, CZ, EL, HU, IE, LT, LU, LV, UK
Not provided	AT, BE, DK, HR, IE, SE, UK	AT, BE, BG, CZ, DK, EE, FI, HR, HU, IE, IT, LT, LU, MT, PL, RO, SE, SI, SK	BE, BG, CZ, DE, DK, EE, ES, FI, FR, HR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, RO, SE, SI, SK	AT, BE, BG, DE, DK, EE, ES, FI, FR, HR, IT, MT, NL, PL, PT, RO, SE, SI, SK
Not applicable / not known		CY, PT		

Source: Own CSES PPMI research.

5.3.2. Direct benefits for workers

The table below shows the increase in the number of workers that would benefit from each right, assuming that Option 1 is also adopted:

- right to information about probation periods: 46.3 m more employees;
- right to information about social security systems: 93.9 m more employees;
- right to information about law applicable in case of termination of contract: 153.4 m more employees;
- right to information about working time: 145.2 m more employees.

[If Option 1 is not adopted, the number of workers benefiting will be reduced.]

Table 45 Increase in the number of workers that would benefit from each right, assuming that Option 1 is also adopted

Country	Increase in number of workers having rights to information			
	Duration and conditions of the probation period	Social security system to which the employer is contributing	National law applicable in case of termination of contract	Precise working time including possibility of extra hours
AT	3 656 500	3 656 500	-	3 656 500
BE	3 894 800	3 894 800	3 894 800	3 894 800
BG	2 617 100	2 617 100	2 617 100	2 617 100
CY	307 800	Unknown	307 800	307 800
CZ	-	4 180 000	4 180 000	-
DE	-	-	36 320 000	36 320 000
DK	2 521 200	2 521 200	2 521 200	2 521 200
EE	-	553 700	553 700	553 700
EL	-	-	-	-
ES	-	-	15 160 000	15 160 000
FI	-	2 076 100	2 076 100	2 076 100
FR	-	23 255 700	23 255 700	23 255 700
HR	1 362 700	1 362 700	1 362 700	1 362 700
HU	-	3 862 100	3 862 100	-
IE	1 656 200	1 656 200	1 656 200	-
IT	-	17 183 300	17 183 300	17 183 300
LT	-	1 159 500	1 159 500	-
LU	-	233 200	233 200	-
LV	-	-	753 400	-
MT	-	163 900	163 900	163 900
NL	-	-	6 910 000	6 910 000
PL	-	12 680 900	12 680 900	12 680 900
PT	-	N/A	3 739 500	3 739 500
RO	-	6 181 500	6 181 500	6 181 500
SE	4 318 500	4 318 500	4 318 500	4 318 500
SI	-	781 600	781 600	781 600
SK	-	2 093 400	2 093 400	2 093 400
UK	25 996 400	-	-	-
TOTALS	**46 331 200**	**94 431 900**	**153 412 400**	**145 224 500**

Source: Own CSES PPMI research.

While all employees will have the right, some information will directly benefit a smaller number of workers in practice:

- right to information about probation periods is of most use at the start of the employment relationship;
- right to information about law applicable in case of termination of contract is of most use at the end of the employment relationship.

On that basis, the number benefiting each year will depend on the rate of turnover of employees. The table below offers estimates based on a low rate of turnover (10%) and a high rate (20%).

Table 46 Number of workers benefiting from adoption of Option 2

	Number of workers benefiting in practice from adoption of Option 2 p.a.	
	Duration and conditions of the probation period	National law applicable in case of termination of contract
Low estimate (10% labour turnover p.a.)	4 633 120	15 341 240
High estimate (20% labour turnover p.a.)	9 266 240	30 682 480

Source: Own CSES PPMI research.

The survey suggests that the overwhelming majority of employers (80%) use probation periods. Excluding 'don't know' responses, this rises to 85% of employers. Assuming that employers using probation periods are representative of all employers (in terms of number of employees), this suggests that **149 m employees potentially have contracts that include(d) probation periods and will thus benefit from the right to information**. Of those not covered by national legislation (46 m), some **37 m employees are likely to have contracts that include(d) probation periods**.

5.3.3. Direct benefits for employers

The main benefits that would arise to employers would essentially be an enhancement of the benefits identified by the REFIT study, including clarifying the main points of the employment relationship and ensuring there is no ambiguity in the agreement made and offering legal certainty in case of any later dispute between employer and employee. Of course, **the net additional benefits to employers will be modest since some already include such information in written statements** either through choice or in response to national legal requirements.

5.3.4. Direct costs for employers

It is assumed that all employers would incur costs in familiarising themselves with the requirement of a revised Directive and in adjusting internal documents, e.g. contract templates. Based on fixed costs per company from previous studies, these costs are estimated to be those in the table below. They would arise in all countries except Cyprus and Estonia; these are the only two countries to have already implemented all parts of Option 2. The estimated average fixed cost of familiarisation for each enterprise would be:

- SMEs: EUR 53
- Large enterprises: EUR 39.

Based on these averages, the total costs for employers would be as follows.

Table 47 Direct costs for employers of Option 2

	Micro companies & SMEs (<250)	Large companies (>=250)	Total
Cost of familiarisation (€)	851 361 321	1 138 810	852 500 131

Source:Own CSES PPMI research.

5.3.5. Indirect costs

Interviews with stakeholders support the view that: i) where there is already a legal requirement to provide such information, employers incur no indirect costs; ii) the indirect costs of this option would be minimal, if not negligible.

Public authorities would incur costs related to the development of new models and templates, and making information available to employers. This will vary from Member State to Member State. If it is assumed that 5-10 civil servant working days are required for such activity, **the total one-off cost for public authorities is EUR 14 000–EUR 29 000.** The table below provides a national level breakdown of the cost for each Member State.

Table 48 Cost to public authorities to develop models & make information available

Country	Daily earnings (€)[146]	Cost to develop models & make information available: 5 days (€)	Cost to develop models & make information available: 10 days (€)
Austria	135	675	1 350
Belgium	166	830	1 660
Bulgaria	19	95	190
Croatia	46	230	460
Cyprus	90	450	900
Czech Republic	43	215	430
Denmark	236	1,180	2 360
Estonia	47	235	470
Finland	160	800	1 600
France	143	715	1 430
Germany	158	790	1 580
Greece	80	400	800
Hungary	37	185	370
Ireland	204	1,020	2040
Italy	131	655	1 310
Latvia	35	175	350
Lithuania	31	155	310
Luxembourg	185	925	1 850
Malta	82	410	820
Netherlands	167	835	1 670
Poland	45	225	450

[146] Based on earn_ses14_hftpt

Country	Daily earnings (€)[146]	Cost to develop models & make information available: 5 days (€)	Cost to develop models & make information available: 10 days (€)
Portugal	60	300	600
Romania	23	115	230
Slovakia	43	215	430
Slovenia	71	355	710
Spain	100	500	1 000
Sweden	173	865	1 730
United Kingdom	164	820	1 640
Total		**14.370**	**28.740**

Source: Source: Own CSES PPMI research.

These daily earnings in each country are calculated by multiplying the hourly earnings (Eurostat) by the average number of hours worked per day, i.e. eight hours.

5.3.6. Indirect benefits

Better access to social security protection, since benefits are often linked to the duration of employment and employees with short-term contracts can rely on the written statement to prove their employment can claim their social security benefits.

5.4. Option 3: strengthening means of redress, sanctions and access to dispute resolution

This option is relevant to all workers currently covered by the Directive and to those that would be covered by any extension of its scope.

The following sub-options have been assessed:

- 3.1: requiring Member States to make sure that a 'competent authority' can find or impose a solution where a worker does not receive a written statement
- 3.2: requiring Member States to set up a formal injunction system to the employer, possibly accompanied by the possibility of a lump sum
- 3.3: establish favourable presumptions for the employees as regards their working conditions in case of (unlawful) absence of written statements
- 3.4: for all employment relationships, possibility of access to effective and impartial dispute resolution.

5.4.1. Baseline situation

Part two of the report indicated several challenges faced by Member States in the general compliance with labour law and to redress opportunities for employees whose rights have been violated.

In summary, the main compliance problems that arise in Member States are related to the lack of monitoring mechanisms by the State and the lack of resources in companies to

implement regulations, especially in SMEs. Compliance issues are often sector specific, especially in sectors with many atypical workers.

Issues regarding access to effective redress are twofold among the Member States. On the one hand, workers are afraid to seek redress in court as it would further damage an already unstable employment relationship. On the other hand, workers who do go to court face slow and expensive procedures, especially when lawyers are required as well. It is explicitly mentioned by many country experts that there are either no cases or very few cases brought to court by atypical workers. [147]

5.4.2. Effects of options 3.1, 3.2, 3.3

Option three can be divided into three sub-sections. Option 3.1 requires Member States to develop a competent authority with the power to find and impose solutions when workers do not receive written statements. Option 3.2 requires Member States to set up a formal injunction system to employers, accompanied by the possibility of a lump sum fine. Lastly, Option 3.3 requires Member States to establish favourable presumptions for the employees as regards their working conditions in case of (unlawful) absence of written statements.

In general, it is expected that Option 3 will contribute to better compliance and better access to redress. A trade union representative from Belgium highlighted that the proposed measures of Option 3 would result in more employers who are encouraged to pro-actively provide written statements. The country expert of Cyprus believes the option would improve access to redress, but would not impact already existing sectoral differences. The Czech expert believes that it is not access to redress that needs to be addressed, but enforcement of existing regulations by the state.

Many national experts underlined that the level of compliance by employers is linked to the level of enforcement by the government or trade unions. Several experts witnessed an increase in compliance due to stronger labour inspectorates, presumptions in favour of the employee or due to newly introduced fines.

It is important that the sub-options of Option 3 are all introduced together for the effective protection of rights. Employees need to be able to seek redress at an institution with a low threshold (Option 3.1), knowing that they have the right to complain over not having a written statement (Option 3.2) and having a beneficial position in the (often unequal) procedures (Option 3.3).

[147] CY, CZ, FI, FR, EL, IE, NL, PT, SK, SI, ES, UK.

In short, the impact of the sub-options of Option 3 can be summarised as follows:

Table 49 Summary of the impacts of Option 3 on compliance and redress

	Impact on compliance	Impact on redress
Option 3.1	- Better compliance by employers due to increased monitoring by legal institutions - Better compliance by employers due to increased redress by employees	- Increased complaints due to better accessible redress mechanisms - Increased number of employees with their rights protected
Option 3.2	- Better compliance due to potential fines	- Increased complaints/court cases as there is a legal basis for complaints
Option 3.3	- Better compliance by employers due to fear of enforcement of these favourable presumptions	- Increased court cases due to the stronger position of employees

Source: Own CSES PPMI research.

5.4.3. Option 3.1: A competent authority imposing solutions

It has been highlighted in the country reports of seven Member States[148] that access to court for employees – especially atypical workers – is made unattractive due to the fees for proceedings, fees for legal representation and slow speed of the procedure. Furthermore, the status of an atypical employee in a company can be precarious. A zero-hours worker can actually be given zero-hours of work and an on-demand worker can simply not be called upon anymore. Taking the weighty step of starting legal proceedings can significantly damage the already vulnerable position of a worker.

Moreover, experts from the Netherlands, the UK and Hungary highlighted that it is highly unlikely that an employee would go to court over a missing written statement. In case of a missing written statement, it is difficult to prove that the employee suffered damages.

In seven countries,[149] experts have highlighted the success of having a body which can force employers to provide written statements and can impose sanctions when employers continue violations. The labour inspectorates or governmental bodies are easily accessible for employees. They only need to complain to set the procedure in motion and this is commonly free of charge. In Estonia, any further proceedings in front of the labour dispute committee are free of charge as well. The Czech and Slovak experts stated that the labour inspectorates in these countries would be more effective if they had more investigative powers to enforce the system of fines which is already in place. The Greek expert also believes that reorganisation of the labour inspectorate with minimum powers would help to improve redress.

[148] CZ, FR, EL, IE, NL, SK, UK

[149] BG, EE, EL, PT, RO, DK, MT

Introducing Option 3.1 would mean that each country would have a body which is more easily accessible than a labour court due to the lack of fees and the lack of official proceedings damaging the employment relationships. If an employee addressed an authority with a complaint, the authority would look into the complaint and impose possible sanctions on the employer. This way, there is less debate between the employee and employer directly as would be the case before a judge. Therefore, introducing Option 3.1 would lead to an increase in employees seeking redress, who were previously unable to start proceedings before a court.

Similarly, a stronger competent authority capable of imposing a solution can have a proactive impact as well. If the authority is given inspecting powers, there can be stronger control over companies. It has been highlighted by experts in Bulgaria, Czech Republic and Ireland that a lack of monitoring of SMEs leads to a higher level of violations. If there were more control over the SMEs, there would be more compliance.

As regards the difficulty of going to court for a mere missing written statement, a competent authority imposing a solution would form an opportunity for workers to enforce their right to a written statement without having to address a court and prove damages. Therefore, introducing Option 3.1 would reasonably increase the number of workers who receive a written statement either due to increased compliance of employers or due to a more easily accessible authority, which forces them to provide a written statement.

5.4.4. Option 3.2: A formal injunction system with a lump sum fine

It has been highlighted by the national expert of Greece that compliance has significantly increased in the country after the introduction of fines for employers not providing a written statement. This means that more employees with the right to receive a written statement actually received it. In Lithuania, fines were also introduced and the compliance level with the written statement provision is generally high. The German trade union also believes that Option 3.2 will improve enforcement of the Directive because of the progressive sanctions and opportunity for redress. It can be assumed that a formal injunction system with a lump sum fine will impact the level of compliance of employers upwards based on the fear of being fined. This is confirmed by the Slovak expert.

Secondly, introducing a formal injunction system has effect on access to redress as well. It was highlighted before that going to court for just a missing written statement is very unlikely due to the lack of real damages and the fear of employees of damaging relationships with their employers. A formal injunction system in law will show employees that the lack of a written statement alone is a legal basis to seek redress and they do not need additional violations in order to start a procedure. Therefore, it can be reasonably assumed that the formal injunction system would increase the number of employees seeking redress and the introduction of a possible lump sum would increase the number of compliant employers.

5.4.5. Option 3.3: Favourable presumptions for employees

A German trade union representative stated that a reversal of the burden of proof in cases when the written information is missing would strongly improve enforcement of the Directive. In Germany, the introduction of these favourable presumptions led to almost all temporary employees receiving a written contract. The Slovak expert similarly believes that establishing favourable presumptions could provide a stronger motivation for the employers to issue a written statement.

The UK expert stated that the burden of proof falls on the person who brings the claim (i.e. the employee). It was suggested by the UK expert, a UK employment lawyer and a UK trade union representative, that there should be a presumption of official employment status (with related rights), shifting the burden onto the employer to prove that this status was different. So, when an individual brings a claim that requires them to be an 'employee' or a 'worker,' it should be for the employer to prove that they are not. This makes the employment tribunal fairer to employees and it can be logically deducted that a fair process would increase the willingness of employees to start proceedings.

It is assumed that the impact of Option 3.3 would be twofold. On the one hand, it would lead to better compliance by employers. The countries that have already introduced favourable presumptions indicated that such presumptions often include a stronger employment position (i.e. permanent instead of fixed term). Therefore, in order to avoid a situation of an atypical or temporary employee being legally considered permanent with practical implications of this, an employer is more motivated to provide the correct documents.

On the other hand, Option 3.3 simplifies the process of proceedings for employees as they do not need to prove on which basis they were originally employed. Larger companies have the resources to hire expensive lawyers or have their own legal departments, which puts employees in a more vulnerable position before a court. The introduction of favourable presumptions – in other situations as well – ensures that a weaker party is more protected against a stronger party, making procedures fairer. Therefore, the introduction of favourable presumptions would make employees without a written statement more inclined to start proceedings.

Examples of good practices regarding redress and compliance are summarised in the table below:

Table 50 Examples of good practices of redress and compliance

Examples of good compliance	Examples of effective redress
AT: The presence of work councils contributes to a collaborative working environment, implying also a higher compliance. BE: Datamining, data matching and cooperating between different inspection services has led to less undeclared work. DK, FI: High level of compliance with the WSD, because employees know their rights and take action on it. DE: Compliance is high due to the presumption that an employee without a WS is a permanent employee. EL: Compliance increase due to introduced fines for employers. SK+MT+ES+SE: Enforcement is supported by trade unions and labour inspectorates.	BE, DE, SI, SE: Trade unions support workers in court. AT, ES: Work Council and similar bodies support employees. BG, EE, EL, PT, RO: Labour inspectorate can impose sanctions such as fines. DK, MT: Other governmental bodies can award compensation if a WS is not provided. EE: Access to the labour dispute committee is free of charge.

Source: Own CSES PPMI research.

Good practices regarding redress can be found in countries with active trade unions which assist the employee in his/her proceedings or even negotiate with the employer on behalf of the employee. Another good example is the role of labour inspectorates and their ability to impose a fine as submitting a complaint to a labour inspector is a lower threshold compared to going to court. Experts of countries where the labour inspectorates have such a strong position are generally positive about their role.

It can be concluded that the issues arising regarding redress are mainly related to the difficulties of accessing court and the consequences of addressing court for labour relations. Therefore, it seems that these issues can be addressed through Option 3.1 if the new competent authority is more easily accessible for the employees.

Based on the input of the national experts, it can be concluded that Option 3 will have an impact not only on redress, but also on compliance. However, it has been noted as well that an increase in regulations may not necessarily improve compliance. SMEs already have less legal resources and may not be informed about new employee rights.

5.4.6. Effects of Option 3.4 (access to dispute resolution)

The impact of Option 3.4 on the problems highlighted above and in previous sections can be summarised as follows:

Table 51 Summary of the impact of Option 3.4

	Impact on compliance	Impact on redress
Option 3.4	No (major) changes in compliance by employers are expected.	- A large decrease of court cases is not expected, as 3.4 will mainly target employees who would not go to court anyway. - More employees are expected to seek redress for violations as a non-judicial dispute resolution is less damaging for employment relations.

Source: Own CSES PPMI research.

Each EU Member State has a system of redress in which an employee suffering from a violation can address an independent and impartial court. For those employees for whom the threshold of going to court is too high, due to the lengthy process and due to the damaging impact, it may have on employment relations, (alternative) dispute resolution can be an adequate alternative.

Dispute resolution does not necessarily impose a solution, but the third party involved aims to bring the two parties together in order to settle the argument and to find a solution that works for the employer and the employee. The Irish expert stated that mediation specifically could be an effective tool to address many of the different problems that are listed in this study, not just the ones regarding compliance and redress.

The introduction of mechanisms for dispute resolution would not significantly reduce the number of employees going to court as this option would mainly address those employees who are afraid to go to court for different reasons. Furthermore, the number of court cases related to the written statement is generally very low and the number of court cases involving atypical workers in general is low as well.

In Estonia, access to the labour dispute committee is free of charge and the case is heard within one month of the application of an employee. Most cases of labour disputes are settled before a labour dispute committee instead of a court. This shows that the Estonian dispute committee seems to function well in solving labour disputes.

Dispute resolution can also provide a suitable alternative for employees who are afraid to damage their employment relationship. A court case is aimed at defining who is right. This means that there is always a losing party and the conflict between the two parties may not be settled at all. As mentioned before, dispute resolution mechanisms such as mediation are not aimed at finding a winner or loser, but are aimed at bringing the parties together to settle the conflict. Therefore, dispute resolution may be less damaging to employment relations than court proceedings.

In Ireland, for example, the Workplace Relations Council has an Early Resolution Service, which seeks to resolve disputes at the level of the workplace before claims are lodged. This avoids the need for an employee to point out that the employer is violating labour law, thereby creating a conflict.

The Czech expert highlighted that in her country access to such procedures as arbitrage could have a positive effect, but the awareness about alternative (out-of-court) methods has been so far relatively low among workers. Therefore, a higher level of impact could possibly be reached through combing an introduction of the possibility to access effective and impartial dispute resolutions with awareness-raising campaigns.

It was argued by the German expert that in Germany, the labour courts are highly effective, and many cases are brought before the courts. Therefore, there is no need to introduce a new system of arbitration or mediation here. However, as highlighted earlier, it seems that this is a rather exceptional situation as the research has revealed issues of accessing labour courts in many countries.

Option 3.4 alone is not expected to have a positive or negative impact on the compliance of employers. Dispute resolution is not a system of strict enforcement and sanctions, and would therefore not function as a motivation for non-compliant employers. Therefore, the introduction of Option 3.4 in combination with Options 3.1, 3.2, 3.3 would lead to both an increase in opportunities to seek redress for employees as well as increased compliance by employers.

5.5. Option 4: shortening of the deadline

Article 3 of the Directive requires employers to provide a written statement for their employees no later than two months after the commencement of employment.

5.5.1. Baseline situation

As noted above, 22 of the 28 EU Member States have set shorter deadlines than those required by the Directive. Of these, eight have a 1-month deadline, one has a 15-day deadline, three require the statement to be provided on the first day of employment and eight require it to be provided before the employment contract is formed.

Table 52 Current situation in MS in relation to the written statement provision deadline

2 months	1 month	7-15 days	1st day	Before contract is formed
EL, ES, IE, PT, UK	CY, CZ, DE, DK, FI, NL, SE, SK	HU, MT	AT, BE, EE, LU	BG, FR, HR, IT, LT, LV, PL, RO, SI

Source: Own CSES PPMI research.

Of those responding to the survey, **the overwhelming majority of employers (95%) already provide written statements for their employees within one month of the individual starting work**. Excluding those that responded 'Don't know,' this rises to almost 100%.[150]

Despite the UK having a deadline of 2 months, **100% of UK respondents reported that they provided written statements within 1 month**.

However, a number of respondents reported providing written statements outside the timeframe set in their national leglisation: 47% in Italy, 38% in Poland. This suggests a need to improve employers' understanding of their legal obligations and/or to improve enforcement.

Table 53 Reported deadline of the written statement provision

Country (current deadline)	>2 months	<2 months	<1 month	<15 days	<7 days	1st day or before	Don't know
DE (1 month)	<1%	0%	5%	7%	35%	45%	7%
IT (before contract)	0%	0%	5%	9%	33%	50%	4%
PL (before contract)	0%	0%	1%	5%	32%	59%	3%
SK (1 month)	0%	0%	0%	10%	0%	71%	19%
UK (2 months)	0%	0%	5%	19%	33%	41%	3%
ALL	**<1%**	**0%**	**4%**	**10%**	**31%**	**50%**	**5%**

Source: Own CSES PPMI research.

Despite the fact that most Member States have set a deadline of 1 month or less, the REFIT study found that the time limit of up to two months posed some problems. In particular, where the written statement is not provided to the employee before the commencement of employment, the employee is less able to make an informed choice about whether to accept the job and its conditions. Moreover, some employees never receive their written statement if they frequently changing work arrangements.

5.5.2. Direct benefits for workers

The table below shows the number of workers that would benefit from a shortening of the timescale for providing written statements. We distinguish between:

[150] One respondent reported >2 months. All others were <1 month or shorter.

- Workers that would have a new legal right to a shorter deadline; these employees would benefit from the fact that their employer could not unilaterally choose to provide the written statement in a later timescale.
- Workers that would benefit in practice, i.e. those taking up a new job in a calendar year (whether due to changing jobs or (re-)entering the labour market. Here, we offer a range based on estimated labour turnover of 10-20% p.a.)

Table 54 Number of workers that would benefit from a shortening of the timescale for providing written statements

New timescale	Relevant countries	Workers having a new right to a shorter deadline		Workers benefiting in practice p.a.	
		Number	% of EU28 workforce	Low estimate (10% p.a. turnover)	High estimate (20% p.a. turnover)
1 month	EL, ES, IE, PT, UK	49.0 m	26%	4.9 m	9.8m
15 days	CY, CZ, DE, DK, EL, ES, FI, IE, NL, PT, SE, SK, UK	107.7 m	58%	10.8 m	21.5 m
1st day or before	CY, CZ, DE, DK, EL, ES, FI, HU, IE, MT, NL, PT, SE, SK, UK	111.7 m	60%	11.2 m	22.3 m

Source: *Own CSES PPMI research.*

It is also worth noting that **unemployed or inactive people entering employment each year would enjoy the new right to a shorter deadline**. According to Eurostat data, the number of people unemployed or inactive people entering employment in 2016 was around 30 m.[151] It is therefore reasonable to assume that 25-35 m p.a. might do so in the first few years following a revision of the Directive (if Option 1 is also adopted).

It is important to note that a **reduction in the deadline is essential to avoid a risk of legal uncertainty in the case that the Directive is extended to employees with a contract duration of less than one month** (Option 1). Otherwise, it is possible that such employees have the right to receive a written statement but the employer does not have to provide it until after the contract has expired. There might still be benefits for the employee to receive the written statement at that point, for example, to assist any claim for social security benefits. However, for the employee to derive the full benefit, it is clearly necessary to receive the written statement before or during the period of employment.

At the limit, if a deadline of the 1st day of employment or earlier is set, **a total of 1.6 m employees with contract duration of one month or less would be covered by the creation of this new right at EU level** regardless of the current deadline set at national

[151] lfsi_long_q.

level, the duration of their contract or the current practice of their employer. However, the precise number of employees that would benefit in practice will depend both on the new deadline and on the duration of each individual's employment contract. For example, an employee with a contract duration of 1 week would not benefit from a deadline of 1 month. Moreover, some such employees will already enjoy the right to a written statement because the deadline set by national legislation is shorter than the duration of their contract.

The table below gives an indication of the number of temporary workers that would benefit in practice, taking into account current national deadlines (provided that the Directive is extended to such employees). It is assumed that 10 countries with current deadlines of the 1st day or before maintain those deadlines. The table shows that:

- About 348,000 workers with contract duration of less than 1 month would benefit from a deadline of 15 days compared to the current situation.
- The same number of workers would not benefit from a deadline of 15 days, i.e. the contract would expire before the deadline for providing a written statement.
- About 717 000 workers with contract duration of less than 1 month would benefit from a deadline of of 1st day or before compared to the current situation.

Table 55 Number of temporary employees (<1 month) benefiting from shorter deadline

	Number not benefiting from shorter deadline	Number benefiting from shorter deadline	
Country	Deadline of 15 days (median contract duration of 15 days)	Deadline of 15 days (median contract duration of 15 days)	Deadline of 1st day or before (contract duration <1 month)
CY	1 055	1 055	2 110
CZ	650	650	1 300
DE	124 550	124 550	249 100
DK	6 250	6 250	12 500
EL	3 550	3 550	7 100
ES	95 450	95 450	190 900
FI	11 150	11 150	22 300
HU	-	-	20 100
IE	1 200	1 200	2 400
NL	3 200	3 200	6 400
PT	28 700	28 700	57 400
SE	48 200	48 200	96 400
SK	8 450	8 450	16 900
UK	15 700	15 700	31 400
TOTAL	**348 105**	**348 105**	**717,310**

Source: Own CSES PPMI research based on Eurostat and EWCS data.

5.5.3. Direct benefits for employers

Employers are already free to provide a written statement earlier than the deadline set in national legislation. It is therefore assumed that **the additional direct benefit for employers would be relatively modest, since most employers will already have captured any benefits**.

5.5.4. Direct costs for employers

It is estimated that **the additional costs to employers from shortening the deadline to one month would be negligible** because:

- 22 Member States have already reduced the deadline to one month or less;
- nearly all employers responding to the survey reported that they already provide written statements within one month, even in the UK (where the deadline is two months); and
- the REFIT study found that shorter timeframes were not considered by employers to be particularly burdensome.[152]

Shortening the deadline to <15 days, 1st day or even before the labour contract is formed would not impose significant costs compared to the current situation. The survey shows that 91% of empoyers already provide written statements within 15 days, 81% within 7 days and 50% on the 1st day or before. As shown by the REFIT study, there are no major differences in how burdensome employers consider the time frame to be, regardless of whether it precedes the commencement of employment (BG, PL,), is set at one month (DE, FR, IT, SE) or at the maximum two months (UK).

There is no evidence that the burden of a reduced timescale would be any greater for SMEs than large enterprises. A survey within the REFIT study generated the following data regrding the proportion of employers who found the time limits in which to provide the information to the employee particularly burdensome.

Table 56 Reported burdensome time limit by company size

Size of enterprises	Percentage reporting that the time limit is burdensome
Micro-enterprises	13%
Small enterprises	10%
Medium enterprises	11%
Large enterprises	14%

Source: REFIT study.

It is assumed that all employers would incur costs in familiarising themselves with the requirement of a revised Directive. Based on fixed costs per company from previous studies, these costs are estimated to be those in the table below. They would arise in all countries that have the maximum 2-month deadline.

[152] p.100

It should be noted that these costs are not cumulative to the familiarisation costs in Option 2; employers only need to familiarise themselves once.

Table 57 Direct costs for employers of Option 2

Cost of familiarisation (€)	Micro companies & SMEs (<250)	Large companies (>=250)	Total
1-month deadline	308 221 123	471 839	308 692 962
15 days deadline	636 959 026	1 181 714	638 140 740
1st day or before	647 929 322	1 194 474	649 123 796

Source: Own CSES PPMI research.

5.5.5. Indirect costs

The survey demonstrates that significant proportions of employers in some countries may be failing to provide written statements within the timescales set by national legislation (although only a negligible proportion are providing statements outside the two-month timescale set at EU level). This situation arose in two countries (Italy, Poland) covered by the survey that had reduced the deadline to the 1st day of employment or earlier.

Based on the survey responses from Italy and Poland, this suggests that **a reduction in the deadline might raise the prevalence of late compliance**:

- <15 days deadline might lead to rates of late compliance of 1–5%;
- <7 days deadline might lead to rates of late compliance of 6–14%;
- 1st day or before might lead to rates of late compliance of 38–47%.

5.5.6. Indirect benefits

If this option was adopted in conjunction with an extension of the Directive to casual workers (particularly on-call/zero-hour workers) and with the provision of certain basic rights for such workers, **it is likely to have positive impacts on the labour market as a whole**. The survey employers highlighted that a clear majority of employers expected the adoption of those rights to deliver various positive impacts including:

- Better working conditions
- Improved workforce productivity
- Less unfair competition from other firms
- Better labour relations
- Greater labour market transparency
- Greater competititiveness

It seems reasonable to assume that **requiring all employers to provide written statements within a shorter timescale would make the realisation of those positive labour market impacts more likely**. Across the labour market, employees would be able to make better decisions prior to taking up a job; they would be more aware of their conditions once in an employment; employer and employee would have a clearer understanding of the terms and conditions. There would be a level-playing field between

employers that currently provide written statements at an early stage and those that provide them much later. In particular, **the earlier provision of written statements would facilitate the early detection of undeclared work**.

5.5.7. Baseline situation

The legal coverage presented earlier in the report has highlighted the Member States where this right is provided or not. The research has also identified those countries in which on-call and casual contracts/zero hour contracts (OCCs/ZHCs) are widely used. The table below provides a summary.

Table 58 Legal coverage of right to reference hours across MS

	Current right to reference hours	No right to reference hours
OCCs/ZHCs prohibited	EE, LT	AT, BG, CZ, DE, EL, HR, HU, LU, PL, PT, SI
OCCs/ZHCs rarely used	BE, FR, SK	CY, ES, RO
OCCs/ZHCs widely used	DK, SE	FI, IE, IT, MT, NL, UK

Source: Own CSES PPMI research.

The survey shows that **the overwhelming majority of employers (85%) already provide reference hours for some or all casual workers**. Moreover, the majority of employers (54%) already provide reference hours for all casual workers. Only 15% did not provide reference hours for any casual workers.

Among the employers providing reference hours for casual workers, **the overwhelming majority report a range of benefits for the organisation**. As shown in the survey results annex, more than 80% of employers of casual workers reported that their organisation had enjoyed each of the benefits (higher staff retention/loyalty, improved workforce productivity, improved relations with workers, fewer complaints from workers, fewer court cases related to working conditions, lower training costs, lower other costs, better advance planning of workforce allocation to tasks, greater competitiveness).

The majority of employers reported that they have **incurred additional administrative costs due to the provision of reference hours** for casual workers. As shown in the annex, each type of administrative cost was reported by 80% of employers or more. The majority of employers also report **increased labour costs and reduced workforce flexibility**. However, employers were generally less likely to report each type of costs than the types of benefits presented earlier.

The response of employers to the provision of reference hours suggest that **the provision of reference hours can potentially make the recruitment of casual workers less attractive**. Overall, 80% of employers reported that they had changed their recruitment practices. More than a third had converted casual contracts into 'standard' forms of

employment. More than 40% had recruited fewer casual workers, in some cases resorting instead to using informal agreements or self-employed workers.

In the two countries covered by the survey and where OCC/ZHCS are widely used, Italy and the UK, the results were broadly consistent with those from the other countries. Indeed, **the overwhelming majority of employers already provide reference hours for some or all casual workers in Italy and the UK**. Excluding those not employing casual workers and 'don't know' responses, some 95% of employers in the UK and 93% in Italy already provide reference hours for their casual workers – more than in the other countries covered by the survey.

The response to the survey highlighted some differences between countries. In terms of reference hours, survey analysis shows that the better situation is in Italy and the UK – respectively 49% and 37% of respondents claimed that they include reference hours in contracts with casual workers. In contrast, Polish (24%), German (20%) and Slovakian (19%) employers were less likely to claim that they include clauses about reference hours. According to the survey respondents, the provision of the reference hours for casual workers had the strongest effects, both positive and negative, in Poland. Around 73% of surveyed Polish employers claimed that they benefited to a great extent from the provision of reference hours for casual workers (in comparison, these numbers were significantly lower in IT (36%), DE (37%) and UK (39%)). Interestingly, Polish respondents were the most likely to claim that they incurred high additional administrative costs because of the provision of a reference period for casual workers (56%). In addition, Polish employers (54%) were the most likely to claim that the latter changes increased their labour costs and reduced workforce flexibility to a large extent (in comparison to 26% in DE, 23% in IT and 35% in UK). Consequently, Polish respondents were more likely to claim that the provision of reference hours affected their decision to recruit fewer casual workers (50% of respondents).

5.6. Option 5.1: provision of reference hours

The right to reference hours would apply to all casual workers but is of particular reference to on-call/on-demand/zero-hour contract workers who might otherwise be expected to work at any time.

5.6.1. Direct benefits for workers

This section estimates the number of workers likely to benefit from the introduction of the right to have reference hours. The assessment of the affected population has been carried out without taking into account the current practices implemented in each Member State. If in one country the right to reference hours is not provided, the number of affected people is estimated without taking into account the possibility that the employer already provides this type of right. The use of this conservative approach allows taking into account the highest possible number of workers affected by the introduction of this right.

It is assumed that the introduction of this right is particularly affecting workers whose working relationship is 'on-demand,' Hence this analysis has focused on the impact of the

introduction of this right on voucher-based workers and on people in a working relationship of casual nature. Eurofound recognises that there can be some overlaps between these two forms of employment. However, for the purpose of this study a conservative approach is used and it is assumed that no overlaps occur between voucher-based workers and casual contracts. As a result, the affected population should be considered as an upper limit.

The national level analysis allowed to identify the Member States where the introduction of reference hours had an impact. The table below groups the Member States according to their type of coverage

Table 59 Right to reference hours across MS

Type of coverage	Countries
1) The right to reference hours has been introduced and casual workers (including on-demand workers) are covered.	BE, HR, DK, EL
2) The right to reference hours has been introduced, but on-demand workers are excluded.	CZ, IT, SK
3) The right to reference hours has not been introduced, but casual workers (especially on-demand workers) exist in law and would directly benefit.	FR, DE, HU, LT, NL, SE, SI, UK
4) The right to reference hours has not been introduced and casual workers (especially on-demand workers) are not recognised in law and therefore require Option 1 in order to be covered by this right.	AT, BG,CY, EE, FI, LU, MT, PT, RO, ES,
5)The right to reference hours is not introduced, but on-demand work is prohibited	CY, LV, PL

Source: Own CSES PPMI research.

It is assumed that all casual and voucher-based workers in Member States falling under categories 2, 3 and 4 would be newly covered by the introduction of this right. Assuming there are no overlaps between casual and voucher-based workers, the estimated number of those newly covered by this right is between 4.3 million and 5.8 million workers. More than 80% of them are likely to have an employment relationship of casual nature.

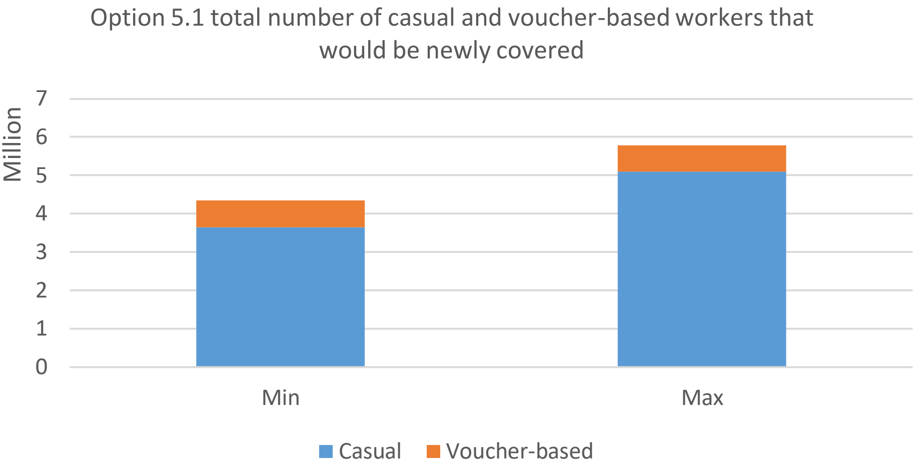
The introduction of this measure would require employers to extend this right to all the people employed under this form of working relationship. The graph below provides an overview of all the estimated casual and voucher-based workers potentially covered by the right of reference hours. The introduction of this right would have a clear impact: more than 70% of total casual and voucher-based workers would be newly covered by the introduction of this right.

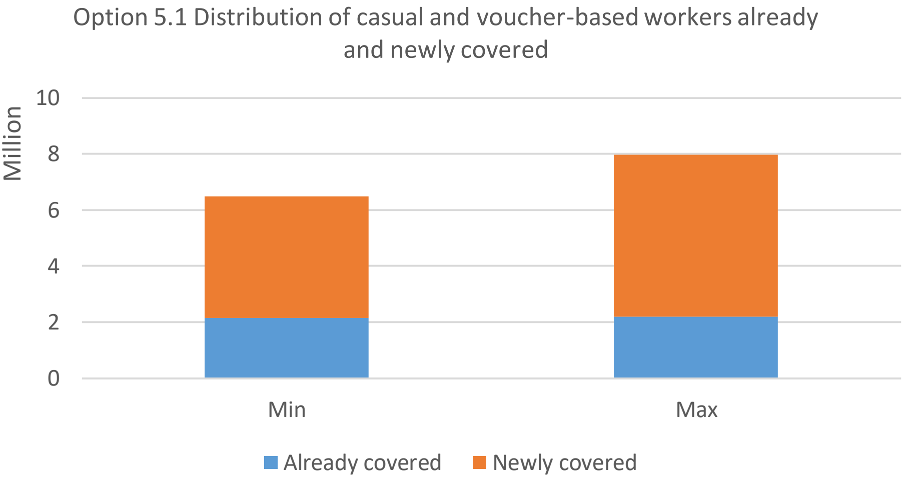
Table 60 Number of casual and voucher-based workers potentially covered by the right of reference hours

	Newly covered	Total
Casual workers	3.7 m-5.1 m	4.3 m-5.8 m
Voucher-based workers	0.7 m-0.7 m	2.2 m-2.2 m
Total	4.3 m-5.8 m	6.5m-8.0 m

Source: Own CSES PPMI research.

Figure 14 Number of casual and voucher-based workers potentially covered by the right of reference hours





Source: Own CSES PPMI research.

5.6.2. Direct benefits for employers

Overall, the survey shows that the **employers that do not currently provide reference hours for casual workers were on balance positive about the potential benefits** of any change. Indeed, as shown in the annex, around 40-50% believed that they would gain the types of benefits reported by employers that already provide reference hours.

However, **these employers were less certain about the likelihood of such benefits arising**. Around one third (28-39%) did not know if each benefit would arise and about one quarter (17-31%) did not believe that each benefit would arise in practice.

5.6.3. Direct costs for employers

The aim of this section is to estimate the compliance costs faced by the employer to introduce reference hours for casual and voucher-based workers. In order to comply with the introduction of this right, employers are expected to:

- Familiarise themsleves with the new legislation, understand the new requirements and adjust the contract templates

With regard to the first cost item, the population affected is the number of companies that employ casual and voucher-based workers. It is assumed that in each company one person is in charge to learn and understand the new obligation and is responsible for passing this information on to others in the company. Hence the number of workers responsible for learning and understanding the new obligations correspond to the number of companies. The proportion of companies hiring this type of workers has been extracted from the UK 2014 study, which provides the proportion of employers that make use of no guaranteed hour's contracts broken down by size of business.[153] This figure has been applied for all countries across Europe, with the assumption that the proportion of employers making use of some sort of atypical employment does not change across Member States. The unit cost to familiarise with the new legislation has been extracted from the ICF evaluation of the Working Time Directive, which estimated the cost of familiarising with a new definition of autonomous worker.[154] The ICF figures have been updated for 2016 using the Eurostat Labour Cost Index.[155] This is based on the assumption that the cost to familiarise with a new piece of legislation does not change. The table below shows the cost per company to familiarise with the new legislation in each Member State.

[153] BIS (2014) Final Impact Assessment, Banning exclusivity clauses in zero hours contracts.
[154] ICF (2014), Study measuring economic impacts of various possible changes to EU working time rules in the context of the review of Directive 2003/88/EC (unpublished).
[155] lc_lci_r2_a.

Table 61 Familiarisation price

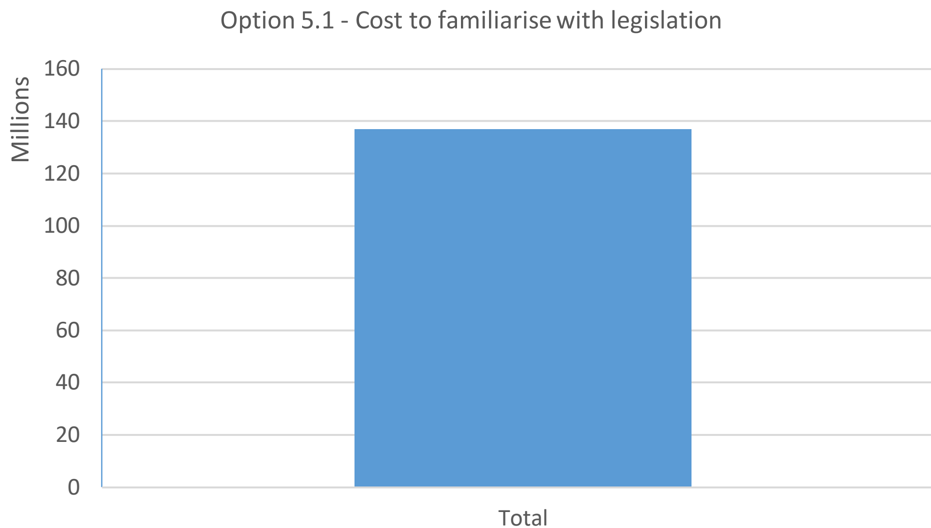
Country	Price to familiarise with legislation (in €)	
	SMEs	Large companies
Austria	74.4	53.6
Belgium	69.2	49.0
Bulgaria	7.2	5.5
Cyprus	34.1	26.5
Czech Republic	17.8	12.9
Germany	68.3	45.6
Denmark	76.2	51.0
Estonia	14.3	9.8
Greece	25.7	18.3
Spain	44.6	33.7
Finland	62.6	43.9
France	65.0	47.2
Croatia	26.9	20.7
Hungary	19.3	14.0
Ireland	62.6	43.0
Italy	73.2	56.3
Lithuania	11.1	8.0
Luxembourg	84.1	58.0
Latvia	12.8	8.0
Malta	24.6	16.5
Netherlands	54.4	35.3
Poland	20.6	15.2
Portugal	33.0	25.5
Romania	22.2	16.3
Sweden	74.3	52.5
Slovenia	27.8	18.5
Slovakia	11.8	8.7
United Kingdom	72.0	50.8

Source: Own CSES PPMI calculations based on ICF study.

It is assumed that employers would incur costs in familiarising themselves with the requirement of a revised Directive. Based on fixed costs per company from previous studies, these costs are estimated to be those in the graph below. They would arise in all countries that have not provided the right to reference hours.

It should be noted that these costs are not cumulative to the familiarisation costs in Option 2; employers only need to familiarise themselves once.

Figure 15 Cost to familiarise with legislation (Option 5.1)



Source: Own CSES PPMI research.

The cost of providing reference hours to casual and voucher-based workers across Europe is estimated at EUR 137 million. The most relevant impact is likely to occur in Germany, Spain, Netherlands and Romania.

Regarding administrative burdens, the survey provides the following evidence:

- Around half the employers believed they would incur each of the type of administrative costs, while the other half either felt it would make no difference or did not know.

5.6.4. Indirect costs

No clear pattern emerges regarding the extent to which and the ways in which employers would adjust their workforces in response to a new requirement:

- Nearly one third (32%) state they did not know. More than quarter (28%) said it would make no difference to their recruitment choices.
- Around 40% of employers said they would adjust the composition of their workforce.
- Some 20% would replace casual work contracts with standard forms of employment.

5.6.5. Indirect benefits

Across all employers of casual workers, there was a strong consensus that **such a reform would be of overall benefit to the labour market**:

- More than three quarters believe that such a reform would lead to better working conditions, improved workforce productivity, better labour relations and greater labour market transparency.

- More than two thirds believed that it would reduce unfair competition and raise competitiveness.
- Fewer than one in five employers did not believe that each of these benefits would arise.
- There was a high degree of certainty, with no more than 12% of employers reporting that they did not know.

5.7. Option 5.2: minimum advance notice period

The right to a minimum advance notice period would apply to all casual workers but is of particular reference to on-call/on-demand/zero-hour contract workers who might otherwise be expected to be immediately available.

5.7.1. Baseline situation

The legal coverage presented earlier in the report has highlighted the Member States where this right is provided or not. The research has also identified those countries in which OCCs/ZHCs are widely used. The table below provides a summary. As shown in section 2.2.2.2, the legal requirements for minimum advance notice periods in different Member States are as follows.

Table 62 Legal coverage of right to advance notice period across MS

	On-call legally regulated		Other flexible work allowed, but no advance notice	Very flexible working schedules do not exist in law
	Right granted	No right		
OCC/ZHCs not widely used	DE, HU	CZ, EL, RO	AT, BE, ES, FR, LT, PL, PT, SK,	BG, HR, CY, EE, LV, LU, MT, SI
OCC/ZHCs widely used	DK, IE, IT, SE	FI, NL, UK		

Source: Own CSES PPMI research.

The survey shows that **the overwhelming majority of employers (75%) already provide minimum advance notice periods for some or all casual workers.**[156] Moreover, nearly half (47%) already provide minimum advance notice periods for all casual workers. Only 25% did not provide minimum advance notice periods for any casual workers.

Among the employers providing reference hours for casual workers, **the overwhelming majority report a range of benefits for the organisation**. As shown in the annex, more than 79% of employers of casual workers reported that their organisation had enjoyed each of the benefits.

[156] Based on those employing casual workers and excluding those that responded 'Don't know'.

The response of employers to the provision of reference hours suggests that **the provision of minimum advance notice periods can potentially make the recruitment of casual workers less attractive**. Overall, 80% of employers reported that they had adjusted their workforces (excluding 'don't know'). More than a third had converted casual contracts into 'standard' forms of employment. More than 44% had been influenced to employ fewer casual workers: 19% recruiting fewer casual workers and 24% resorting instead to using informal agreements or self-employed workers.

The overwhelming majority of employers reported that they have **incurred additional administrative costs due to the provision of minimum advance notice periods** for casual workers. As shown in the annex, each type of administrative cost was reported by more than three quarters of employers. The majority of employers also report **increased labour costs (76%) and reduced workforce flexibility (80%)**. However, employers were generally less likely to report each type of coststhan the types of benefits presented earlier.

Previous research provides evidence from the UK:

- The median notice period is between 12-24 hours;
- 40% of zero-hour contract workers receive no notice at all;
- 6% of zero-hour contract workers find out at the start of a shift that work is no longer available
- The majority of employers (54%) do not have a contractual provision or policy on the amount of notice given to cancel hours that had previously been offered.

The survey results show some differences between countries. German employers were the least likely to claim that they provide their casual workers with this right – only 16% of respondents claimed that. On the other hand, German employers were the most likely to think that an obligation to provide this right will not affect them in any way regarding the recruitment of workers – 38% of respondents claimed that this obligation will make no difference in deciding whether to recruit more or fewer causal workers. Like the case of the reference hours, the benefits and costs of providing the minimum advance notice were the most visible in Poland according to the surveyed employers. Altogether 68% of them indicated that they had benefited to a great extent from this provision. On the other hand, 50% of Polish respondents also indicated that they had incurred high administrative costs as a result. This number was also high in the UK, where 43% of respondents claimed that they incurred high additional administrative costs because of the provision of a minimum advance notice period. Similarly, UK (51%) and Polish (40%) respondents were the most likely to claim that the latter provision had negative effects on workforce flexibility (in comparison to 27% in DE, 25% in IT and 14% in SK). In addition, 45% of Polish respondents indicated that the provision of the minimum advance notice period had increased their labour costs.

5.7.2. Direct benefits for workers

The aim of this section is to provide an estimate of the population affected by the introduction of the right to have a minimum advance notice period. Again, the assessment considers whether this type of right is provided in the legislation, without taking into

account the possibility that employers might already provide this type of right (as highlighted in the previous section). The use of this conservative approach allows taking into account the highest possible number of workers affected by the introduction of this right.

Introducing a right to a minimum advance notice before a new assignment or working period is assumed to have a direct impact on casual and voucher-based workers. It is also assumed that no overlaps between these two forms of employment occur, i.e. a voucher-based worker cannot also be an employee with a casual employment relationship. This assumption is not supported by the current literature but allows to take into account the widest possible population affected by the introduction of this right.[157]

5.7.2.1. Number of workers covered

The national level analysis allowed to identify the Member States where the introduction of reference hours is having an impact. The table below groups the Member States according to their type of coverage.

Table 63 Legal coverage of right to advance notice period across MS

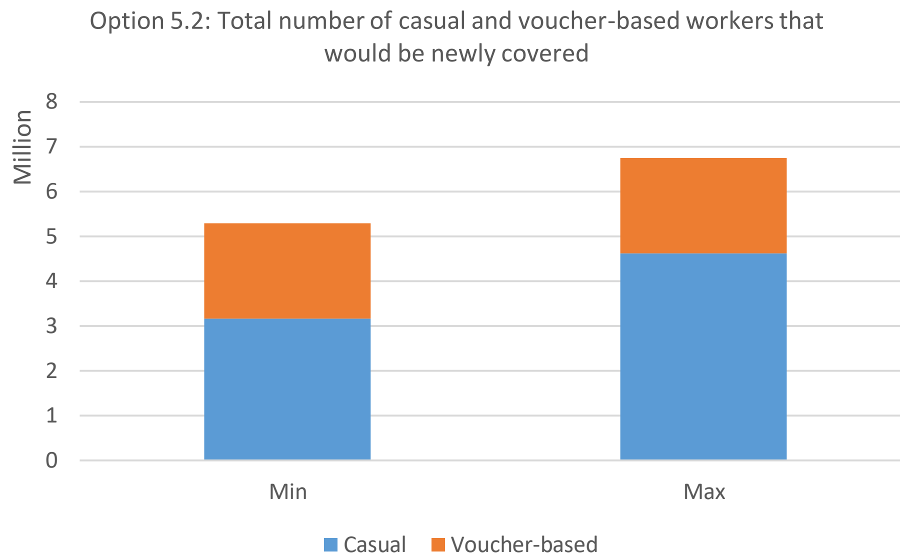
Type of coverage	Countries
1) The right to a minimum notice period has been introduced and casual workers (including on-demand workers) are covered.	DE, DK, HU, IT, SI, ES, SE
2) The right to minimum notice period has been introduced, but on-demand workers are excluded.	CZ, FR, IE, PT
3) The right to minimum notice period has not been introduced, but casual workers (especially on-demand workers) exist in law and would directly benefit.	NL
4) The right to a minimum notice period has not been introduced and casual workers (especially on-demand workers) are not recognised in law and therefore require Option 1 in order to be covered by this right.	AT, BE, BG, HR, EE, EL, FI, MT, RO, SK, UK
5) The right to a minimum notice period is not introduced, but on-demand work is prohibited.	CY, LT, LU, LV, PL

Source: CSES PPMI research.

In all Member States falling under categories 2, 3 and 4 all casual and voucher-based workers would be newly covered by the introduction of a minimum advance notice period. The number of casual and voucher-based workers newly covered is estimated to be between 5.3 million and 6.7 million. Compared to Option 5.1, the number of newly covered is likely to be more evently distributed among casual and voucher-based workers.

[157] Eurofound recognises some kind of overlaps between these two forms of employment.

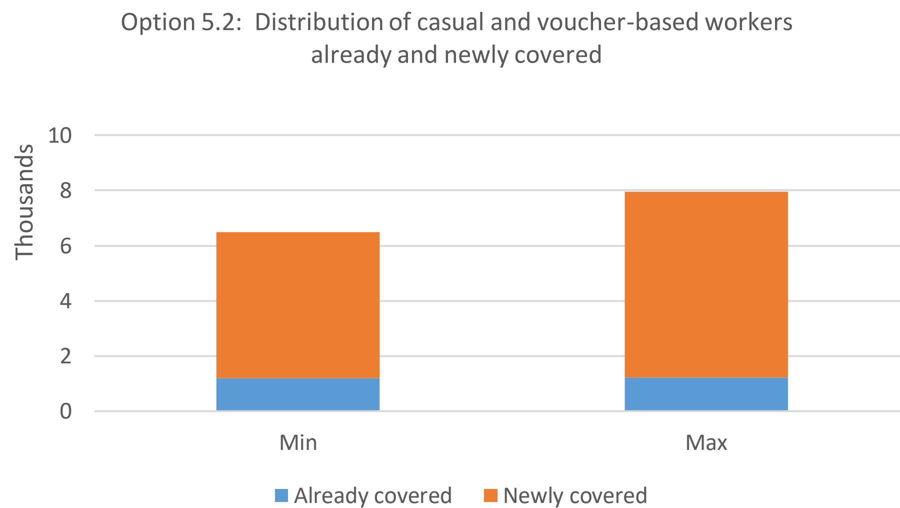
Figure 16 Number of newly covered casual and voucher-based workers (Option 5.2)



Source: Own CSES PPMI research.

As shown in the graph below the introduction of this right is likely to have a significant impact on the total number of casual and voucher-based workers: more than 80% will consist of newly covered workers.

Figure 17 Distribution of already and newly covered casual and voucher-based workers (Option 5.2)



Source: Own CSES PPMI research.

5.7.3. Direct benefits for employers

Overall, the survey found that **employers that do not currently provide minimum advance notice periods for casual workers were on balance positive about the potential benefits** of any change.

Indeed, around 43-51% believed that they would gain the types of benefits reported by employers that already provide minimum advance notice periods.

However, **around half of these employers were uncertain that such benefits would arise in practice**. Around 23-31% did not believe that each benefit would arise in practice and around 24-28% did not know.

5.7.4. Direct costs for employers

This section estimates the costs faced by the employers to introduce the right to a minimum advance notice for casual and voucher-based workers. Also for this scenario, it is assumed that the introduction of this right will require the employer to:

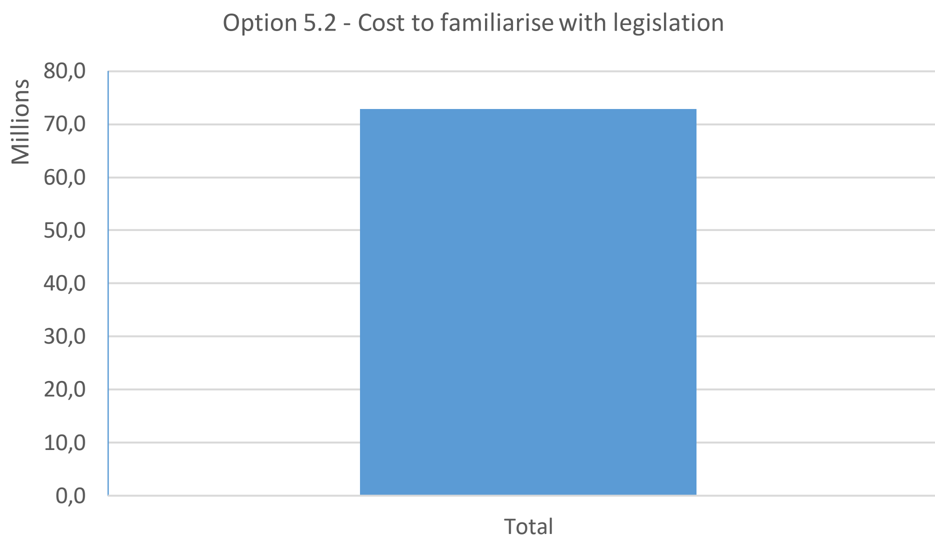
- familiarise themselves with the new legislation, understand the new requirements and adjust the contract templates

The rationale used to estimate both the cost to familiarise themsleves with the new legislation follows what was explained under Option 5.1. What differs is the affected population, i.e. the Member States where this right is not applied and Member States where this right already applies. It is assumed that employers would incur costs in familiarising themselves with the requirement of a revised Directive. Based on fixed costs per company from previous studies, these costs are estimated to be those in the graph below. They would arise in all countries that have not provided this right.

It should be noted that these costs are not cumulative to the familiarisation costs in Option 2; employers only need to familiarise themselves once.

The overall costs related to this option broken down by type of activity is provided in the graph below. The introduction of this right across Europe is estimated to cost EUR 72.7million. Ireland, Netherlands and Romania are likely to be the most affected Member States.

Figure 18 Total cost to familiarise with legislation (Option 5.2)



Source: Own CSES PPMI research.

Regarding administrative burdens, the survey provides the following evidence:

- Of those offering an opinion, the majority **believed they would incur each of the types of administrative costs**, although most of those felt that this would only be to a modest extent, not a great extent.

- However, **a sizeable number of employers did not believe they would incur each type of additional administrative cost** (28-31%) or did not know (23-26%).

- Around **half of employers believed that they would experience increased labour costs (49%) or reduced workforce flexibility** (51%). Around one quarter did not believe they would experience such effects and one quarter did not know.

5.7.5. Indirect costs

No clear pattern emerges regarding the extent to which and the ways in which employers would adjust their workforces in response to a new requirement:

- Of those offering an opinion, the majority would adjust their workforce, of which around half would replace casual workers with employees with standard forms of employment.
- The other half would replace formal contracts with informal agreements or self-employment contracts.
- More than one quarter of employers (27%) did not know if they would adjust their workforce in response to any new requirement.
- Nearly one third (32%) said it would make no difference.

5.7.6. Indirect benefits

Across all employers of casual workers, more than two thirds believe that such a reform would be of overall benefit to the labour market in terms of better working

conditions, improved workforce productivity, less unfair competition, better labour relations, greater labour market transparency and greater competitiveness. No more than one in five employers did not believe that each of these benefits would arise. There was a high degree of certainty, with fewer than 13% of employers reporting that they did not know.

5.8. Option 5.4: prohibition of exclusivity clauses

A prohibition of exclusivity clauses would mainly benefit workers with flexible hours and allow them to find secondary employment. However, it does come with a risk of casual employees finding secondary employment, which then means they may be unavailable at certain times for their primary employer.

5.8.1. Baseline situation

Most Member States have not prohibited the use of exclusivity clauses but have instead listed the conditions for using such clauses. Where exclusivity clauses are prohibited by the Member States, they are mostly prohibited for all employee categories – with four exceptions (UK, NL, CZ and IT). When they are permitted, they are also mostly permitted for all job categories.

As noted above, exclusivity clauses are particularly problematic when the on-call/zero-hours contract workers are expected to be available for work but are not provided with any work.

The prevalence of such contracts is hard to verify across the EU, as contractual forms vary and Eurostat and national statistical data do not specifically define such workers. In some countries, contracts without a fixed or minimum number of hours are prohibited. In other countries, such contracts are not prohibited but are rarely used by employers. The national research for this study has highlighted that such contracts are widely used in eight Member States, as shown in the table below. Of these, two prohibit exclusivity clauses.

Table 64 Legal coverage of prohibition of exclusivity clauses across MS

	Full prohibition of exclusivity clauses	Prohibited but with exceptions	Allowed under certain conditions	Fully allowed
OCCs/ZHCs prohibited	BG, EE	DE, PL, SI	CZ, EL, HU, PT	AT, HR, LT, LU,
OCCs/ZHCs rarely used		CY, RO	BE, LV, SK, ES	FR
OCCs/ZHCs widely used	DK, UK		FI, IE, IT, NL	MT, SE

Source: Own CSES PPMI research.

The table below provides estimates of the number of such workers in each country where on-call/zero-hours contracts are widely used.

Table 65 Number of workers in countries where on-call/zero-hours contracts are widely used

Country	Type of worker	Number
DK	Tilkaldevikarer	
FI	Zero-hour contracts	83 000
	On-call workers	23 000
IE	If-and-when contracts	500 000
IT	Lavoro a chiamata Lavoro intermittente	120 000
MT	Zero-hours/on-call contracts	16 000
NL	On-call contract workers	777 000
SE	On-call (Kallas vid behov)	96 000
UK	Zero-hours/on-call contracts	1 421 000

Source: Own CSES PPMI research.

Extent of usage of exclusivity clauses

The survey shows that **nearly two thirds of employers (65%) include exclusivity clauses in some or all the contracts of their casual workers** (excluding those that do not employ casual workers or that responded 'don't know'). Of these, most include exclusivity clauses in the contracts of all their casual workers. Only 35% did not include exclusivity clauses in any of their contracts with casual workers (21% of all employers).

Of those employers not using exclusivity clauses, most **(53-60%) reported each of the listed benefits** from not using exclusivity clauses. Around one third (31-38%) reported not experiencing each of the benefits. Some 8-12% did not know. Slightly fewer reported incurring each of the administrative costs (47-56%), more often to a modest rather than a greater extent. **Only a minority reported that they had suffered increased labour costs (43%) or reduced workforce flexibility (39%)** as a result of not using exclusivity clauses – compared to 50% that reported that it had made no difference.

The survey results highlighted some differences between countries. Employers in IT and UK (both 25%) seem to include the exclusivity clauses in the contracts of their casual employees most (compared to 20% in DE, 19% in PL, and14% in SK). As regards the possible impact of prohibition of exclusivity clauses, employers from PL and UK claim to experience most impact if this happened – only 7% of Polish and 8% of the UK employers claim it would have no difference for them (compared to 20% in SK, 17% in DE, and 17% in IT).

Extent of usage of exclusivity clauses – specifically for on-call or zero-hours contract workers

While exclusivity clauses are possible in some countries, they are not necessarily used by all employers. Many choose not to use them. Data are not consistently gathered on the extent to which employers of on-call workers use exclusivity clauses in the eight countries where such contracts are widely used. However, the UK's Chartered Institute of Personnel

and Development undertook a survey of employees in 2013, which found that **29% of zero-hours contracts workers faced restrictions of some kind**.[158] More specifically:

- 71% of zero-hours contract workers reported that they were always allowed to take work with another employer when their primary employer was not able to offer them work.
- 18% reported that they were sometimes allowed to take work with another employer when their primary employer was not able to offer them work.
- 11% of zero-hour contract workers reported that they were never allowed to take work with another employer when their primary employer was not able to offer them work.

Based on these figures, the table below offers estimates of the numbers of on-call/zero-hours contract workers that are subject to some kind of restrictions on taking work with other employers: i) a conservative estimate, based on half the percentage in the UK; ii) 'a straight-line' extrapolation based on the UK figure; iii) an upper estimate, based on the UK figure + 50%.

Given the risks in extrapolating this figure from the UK to other countries, we present estimates below based on: i) half the percentage as in the UK; and ii) the same percentage as in the UK. The table shows that, if exclusivity clauses are allowed:

- 444 000–888 000 on-call workers face restrictions on taking work with another employer when their primary employer is not able to offer them work.
- Of which, 167 000–334 000 can never take on work with another employer.

[158] Chartered Institute of Personnel and Development (2013), Zero-hours contracts: Myth and reality. (The figure of 29% is based on the number of employees offering a response, i.e. not taking into account those responding 'Don't know'.)

Table 66 Estimated number of on-call/zero-hours contract workers facing restrictions on taking work with another employer

	Number of on-call workers restricted from taking work with another employer								
	Sometimes restricted			Never allowed			Total		
Country	Low estimate (9%)	Mid estimate (18%)	High estimate (27%)	Low estimate (5.5%)	Mid estimate (11%)	High estimate (16.5%)	Low estimate (14.5%)	Mid estimate (29%)	High estimate (43.5%)
DK	0	0		0	0		0	0	
FI	9 540	19 080	28 620	5 830	11 660	17 490	15 370	30 740	46 110
IE	45 000	90 000	135 000	27 500	55 000	82 500	72 500	145 000	217 500
IT	10 800	21 600	32 400	6 600	13 200	19 800	17 400	34 800	52 200
MT	1 440	2 880	4 320	880	1 760	2 640	2 320	4 640	6 960
NL	69 930	139 860	209 790	42 735	85 470	128 205	112 665	225 330	337 995
SE	8 640	17 280	25 920	5 280	10 560	15 840	13 920	27 840	41 760
UK	127 890	255 780	383 670	78 155	156 310	234 465	206 045	412 090	618 135
TOTALS	**273 240**	**546 480**	**819 720**	**166 980**	**333 960**	**500 940**	**440 220**	**880 440**	**1 320 660**

Source: Own CSES PPMI research.

Linked to this, evidence from the UK shows that **20% of zeros-hour contract workers face penalties for not being available for work**. More specifically:

- 3% of zero-hours contract workers reported that they are always penalised if they are not available;
- 17% of zero-hours contract workers reported that they are sometimes penalised; and
- 80% of zero-hours contract workers reported that they are never penalised.[159]

Based on these figures, the table below offers an extrapolation of the UK figures to all eight countries in which on-call/zero-hours contracts are widely used. The table offers: i) a 'conservative' estimate based on half the percentage in the UK; and ii) a 'straight-line' estimate based on the same percentage as in the UK.

Table 67 Extrapolation of UK figures to countries in which on-call/zero-hours contracts are widely used

	Zero-hour contract workers sometimes or always penalised if they are not available for work	
Country	Low estimate (10%)	High estimate (20%)
DK		
FI	10 600	21 200
IE	50 000	100 000
IT	12 000	24 000
MT	1 600	3 200
NL	77 700	155 400
SE	9 600	19 200
UK	142 100	284 200
TOTALS	**303 600**	**607 200**

Source: Own CSES PPMI research.

On the employer side, the UK provides evidence on the percentage of employers using zero-hours contracts that require their staff to be available for work and to accept work when it is offered.

Table 68 Share of employers using zero-hours contracts requiring staff to be available and accept work when offered

	Percentage of employers using zero-hour contracts (UK)	
Obliged to accept work	Contractually	In practice
Never	66%	53%
In some circumstances	18%	22%
Always	16%	24%

Source: Chartered Institute of Personnel and Development (2013), Zero-hours contracts: Myth and reality. (NB: figures exclude "don't know" responses.)

[159] Chartered Institute of Personnel and Development (2013), Zero-hours contracts: Myth and reality

The use of exclusivity clauses not only prevents some on-call workers from taking work with another employer, it can also affect the extent to which such workers can choose the number of hours that they would like to work.

Evidence from the UK suggests that:

- 10% of zero-hours contract workers believe they have no choice over the number of hours they work; and
- 42% of zero-hours contract workers would like to work more hours than they typically receive in an average week.[160]

At EU level, Eurostat data demonstrate that 9.5 m part-time workers, equivalent to 3% of the working age population, are underemployed, i.e. currently working fewer hours than they would like.[161]

Similarly, it is estimated that about 10% of employment in the EU is in 'precarious unsustainable jobs.'[162] Of these, around 28% are estimated to be involuntary part-time, i.e. would like to work more hours. This results in low income, which relates to employment unsustainability – that is the incapacity to generate a sustained and viable living wage from this job without having an additional (family) income.

Of course, not all of those workers are subject to exclusivity clauses. But it is reasonable to assume that exclusivity clauses would contribute to these outcomes.

The table below presents extrapolations of these figures to the other countries where on-call contracts are widely used. A conservative estimate is made based on half the percentages for the UK, as well as a direct extrapolation based on the same percentages as the UK.

The table shows that:

- 151 800–303 600 on-call workers believe they have no choice over the number of hours they work
- 637 560–1 275 120 on-call workers would like to work more hours than they typically receive in an average week.

[160] Chartered Institute of Personnel and Development (2013), Zero-hours contracts: Myth and reality
[161] Eurostat (2016) Supplementary indicators to unemployment - annual data [lfsi_sup_a].
[162] Eurofound (2013), Quality of employment conditions and employment relations in Europe, Eurofound, Dublin.

Table 69 Estimate of number of on-call workers believing they have no choice over the number of hours they work

	TOTAL	On-call workers believing they have no choice over the number of hours they work		On-call workers that would like to work more hours than they typically receive in an average week	
Country		Low estimate (5%)	High estimate (10%)	Low estimate (21%)	High estimate (42%)
FI	83 000	4 150	8 300	17 430	34 860
	23 000	1 150	2 300	4 830	9 660
IE	500 000	25 000	50 000	105 000	210 000
IT	120 000	6 000	12 000	25 200	50 400
MT	16 000	800	1 600	3 360	6 720
NL	777 000	38 850	77 700	163 170	326 340
SE	96 000	4 800	9 600	20 160	40 320
UK	1 421 000	71 050	142 100	298 410	596 820
TOTALS	**3 036 000**	**151 800**	**303 600**	**637 560**	**1 275 120**

Source: Own CSES PPMI research.

5.8.2. Direct benefits for workers

The national level analysis allowed to group Member States according to the introduction of the right considered under this section. An overview is provided in the table below.

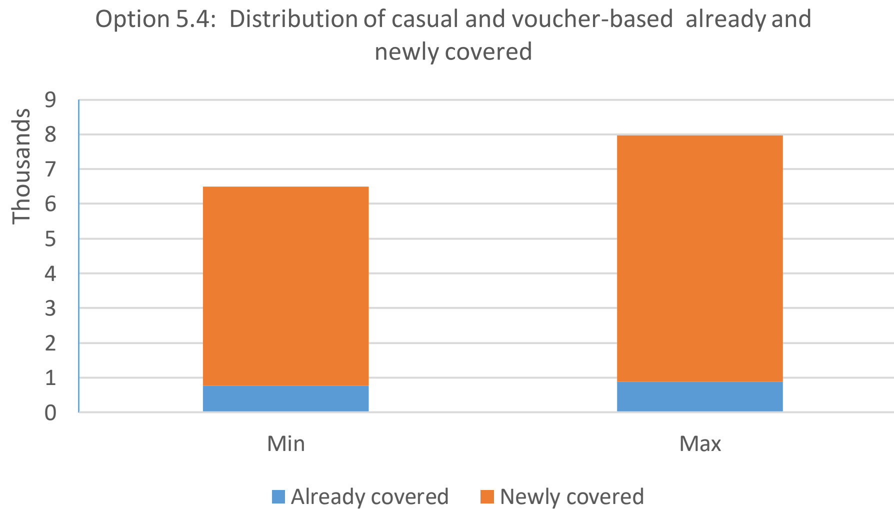
Table 70 Legal coverage of prohibition of exclusivity clauses across MS

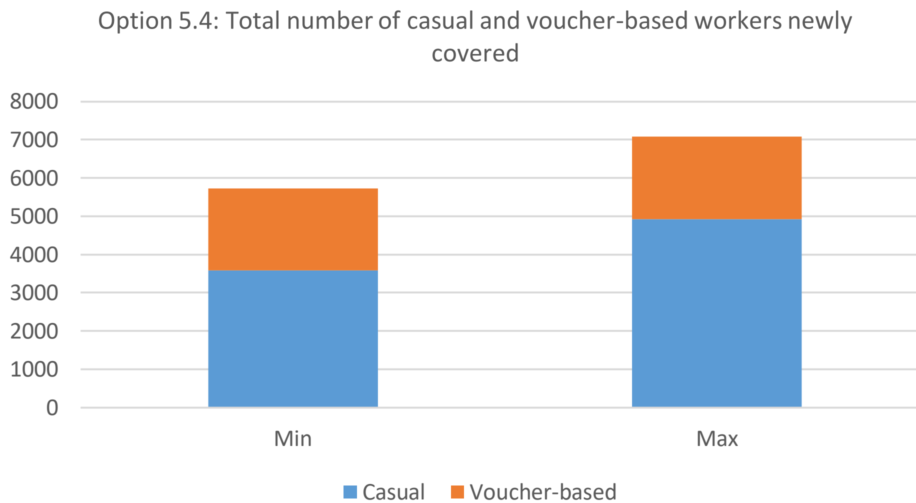
	Exclusivity clause regulation
1) Fully prohibited	BG, EE, CZ*, DK, IT
2) Prohibited, but with exceptions in law	CY, DE, HU, SI, UK**
3) Allowed, but within legal boundaries	BE, HR, FI, EL, NL, PT, RO,
4) Allowed	AT, FR, IE, MT, ES, SE, SK,

**prohibited for casual workers; **recently introduced for some workers*

The number of casual and voucher-based workers newly covered is estimated between 5.7 million and 7 million. More than 60% of the estimated newly covered workers have a casual nature working relationship.

Figure 19 Distribution of casual and voucher-based workers already and newly covered





Source: Own CSES PPMI research.

Benefits specifically for zero-hour contract workers

A prohibition on exclusivity clauses would give the freedom for all zero-hours contract workers to get an additional job, if they wish and if such work is available. Evidence from the UK suggests that, of those currently prevented, only a small proportion (6%) would do so. Some will not wish to, some will not be able to take an additional job, due to their personal circumstances or availability of a suitable job and others will be able to obtain more hours in their main job.

The table below presents extrapolations of these figures to the other countries where on-call contracts are widely used. A low estimate is made based on half the percentages for the UK, as well as a direct extrapolation based on the same percentages as the UK and a high estimate based on twice the UK figure.

The table shows that **91 000– 364 320 on-call workers could be expected to take a second job as a direct result of the prohibition on exclusivity clauses**.

Table 71 Numbers of on-call workers taking a second job as a result of the prohibition on exclusivity clauses

		On-call workers taking a second job as a result of the prohibition on exclusivity clauses		
Country	TOTAL	Low estimate (3% of affected workers take 2nd job)	Mid-range estimate (6% of affected workers take 2nd job)	High estimate (12% of affected workers take 2nd job)
FI	106 000	3 180	6 360	12 720
IE	500 000	15 000	30 000	60 000
IT	120 000	3 600	7 200	14 400
MT	16 000	480	960	1 920
NL	777 000	23 310	46 620	93 240
SE	96 000	2 880	5 760	11 520
UK	1 421 000	42 630	85 260	170 520
TOTALS	**3 036 000**	**91 080**	**182 160**	**364 320**

Source: Own CSES PPMI research.

LFS data show that **on-call workers with a second job work a median 7 hours per week** in it. If those taking a second job as a result of the prohibition on exclusivity clauses work an additional seven hours a week on average, the total additional hours per year would be as presented in the table below.

Table 72 Additional hours worked by on-call workers taking a second job as a result of the prohibition on exclusivity clauses

	Additional hours worked by on-call workers taking a second job as a result of the prohibition on exclusivity clauses (52 weeks)		
Country	Low estimate (3% of affected workers take 2nd job)	Mid-range estimate (6% of affected workers take 2nd job)	High estimate (12% of affected workers take 2nd job)
FI	1 157 520	2 315 040	4 630 080
IE	5 460 000	10 920 000	21 840 000
IT	1 310 400	2 620 800	5 241 600
MT	174 720	349 440	698 880
NL	8 484 840	16 969 680	33 939 360
SE	1 048 320	2 096 640	4 193 280
UK	15 517 320	31 034 640	62 069 280
TOTALS	**33 153 120**	**66 306 240**	**132 612 480**

Source: Own CSES PPMI research.

Low-wage earners are defined by Eurostat as employees who earn two thirds or less of national median gross hourly earnings. Taking the two thirds threshold as an indicator of the average wage of on-call workers, the table below presents the increase in gross earnings of on-call workers taking a second job as a result of the prohibition on exclusivity clauses.

Table 73 Increase in gross annual earnings of on-call workers taking a second job as a result of the prohibition on exclusivity clauses

Increase in gross annual earnings of on-call workers taking a second job as a result of the prohibition on exclusivity clauses (€)				
Country	Low earner hourly wage (€)	Low estimate (3% of affected workers take 2nd job)	Mid-range estimate (6% of affected workers take 2nd job)	High estimate (12% of affected workers take 2nd job)
FI	11.49	13 303 830	26 607 659	53 215 319
IE	13.44	73 382 767	146 765 534	293 531 068
IT	8.33	10 911 319	21 822 637	43 645 274
MT	5.65	987 755	1 975 511	3 951 021
NL	10.67	90 505 413	181 010 825	362 021 650
SE	12.31	12 901 389	25 802 779	51 605 557
UK	9.87	153 208 439	306 416 878	612 833 755
TOTALS		**355 200 911**	**710 401 822**	**1 420 803 645**

Source: Median hourly earnings (Eurostat) x 0.6667.

5.8.3. Direct benefits for employers

Employers of casual workers that did not yet use exclusivity clauses were overwhelmingly positive about the business benefits that would arise from a prohibition on such clauses.

More than 70% expected that they would enjoy each of the benefits listed. However, a similar proportion expected to incur each of the administrative costs listed. Most would also adjust their workforce, with 29% recruiting fewer casual workers, 27% replacing casual contracts with standard forms of employment and 19% replacing casual contracts with informal agreements or self-employed workers.

While the main employer of on-call workers may face reorganisation costs due to the unavailability of staff, the second employer of such workers will benefit from additional output and therefore increased profit. The rates of return on labour costs will vary widely by sector, type of worker, country, etc. Since on-call workers tend to be at the lower end of the income scale, we assume a very cautious return of 10%.[163] Using this figure, we can estimate the total additional benefits to secondary employers of prohibiting exclusivity clauses.

[163] The UK National Accounts suggest a rate of return of 53% across all firms and employees.

Table 74 Annual additional benefits to secondary employers of prohibiting exclusivity clauses

Annual additional benefits to secondary employers of prohibiting exclusivity clauses (€)				
Country	Low earner hourly labour costs (€)	Low estimate (3% of eligible workers take 2nd job)	Mid-range estimate (6% of eligible workers take 2nd job)	High estimate (12% of eligible workers take 2nd job)
FI	13.54	1 567 191	3 134 382	6 268 765
IE	15.83	8 644 490	17 288 980	34 577 960
IT	9.81	1 285 353	2 570 707	5 141 413
MT	6.66	116 358	232 715	465 430
NL	12.57	10 661 538	21 323 075	42 646 150
SE	14.50	1 519 784	3 039 567	6 079 135
UK	11.63	18 047 954	36 095 908	72 191 816
TOTALS		**41 842 667**	**83 685 335**	**167 370 669**

Source: Low earner hourly labour costs = Median hourly earnings (Eurostat) x 0.6667 x 0.1

Additional benefits = Low earner hourly labour costs x Annual additional hours worked by on-call workers taking a second job as a result of the prohibition on exclusivity clauses x 0.1

5.8.4. Direct costs for employers

To comply with this option, the employers in Member States not already covering this type of right will need to:

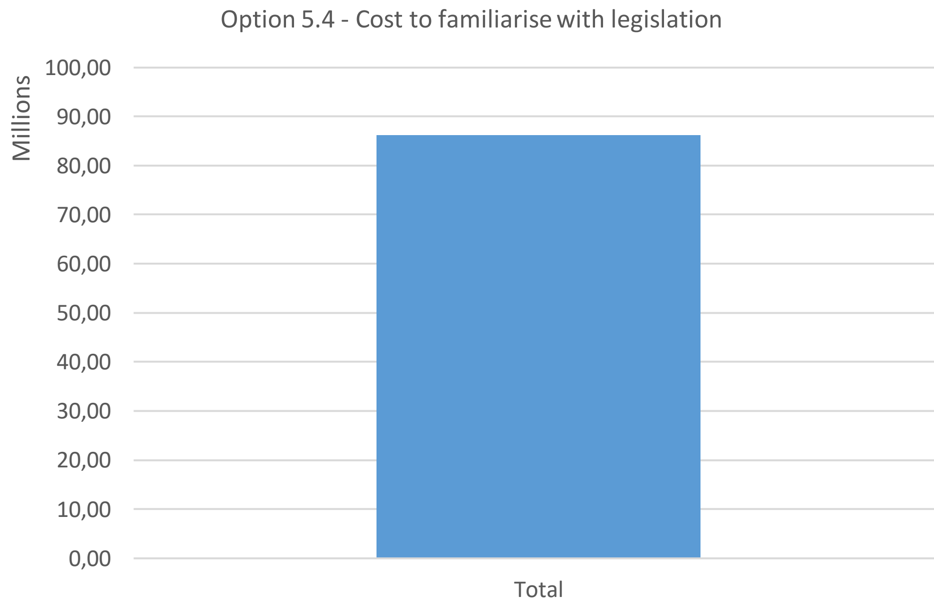
- Familiarise themselves with the new legislation, understand the new requirements and adjust the contract templates

The employment costs associated with both activities follow the approach used under Option 5.1. It is assumed that employers would incur costs in familiarising themselves with the requirement of a revised Directive. Based on fixed costs per company from previous studies, these costs are estimated to be those in the table below. They would arise in all countries that have not provided this right.

It should be noted that these costs are not cumulative to the familiarisation costs in Option 2; employers only need to familiarise themselves once.

The overall cost is estimated at roughly EUR 86 million.

Figure 20 Cost to familiarise with legislation



Source: Own CSES PPMI research.

5.8.5. Indirect costs

Employers using on-call workers and currently using exclusivity clauses may face some disruption due to the unavailability of workers. Zero-hour contract workers in the UK work a median of 22 hours per week. This allows considerable scope to accept work from a second employer, so the level of disruption might be modest.

On average, around 20% of zero-hours contract workers in the UK have been found to work more than their usual hours. The median extra hours worked was between 3-5 hours. On this basis, the table below estimates the number of hours where the primary employer might face the non-availability of staff. It assumes that in any given week, 20% of on-call workers enabled to take a second job as a result of the prohibition on exclusivity clauses are unavailable to their main employer for 4 hours per week.

Table 75 Annual hours of unavailability of staff to main employer due to enabled individuals taking second jobs

	Annual hours of unavailability of staff to main employer due to enabled individuals taking second jobs		
Country	Low estimate (3% of eligible workers take 2nd job)	Mid-range estimate (6% of eligible workers take 2nd job)	High estimate (12% of eligible workers take 2nd job)
FI	132 288	264 576	529 152
IE	624 000	1 248 000	2 496 000
IT	149 760	299 520	599 040
MT	19 968	39 936	79 872
NL	969 696	1 939 392	3 878 784
SE	119 808	239 616	479 232
UK	1 773 408	3 546 816	7 093 632
TOTALS	**3 788 928**	**7 577 856**	**15 155 712**

Source: Own CSES PPMI research.

The cost of this disruption will vary from employer to employer. Previous studies have estimated that the upper bound of such reorganisation costs is 14% of total labour costs. The same studies have estimated total labour costs to be 117.8% of wage costs.

Table 76 Annual reorganisation costs related to unavailability of staff due to enabled individuals taking second jobs

Annual reorganisation costs related to unavailability of staff due to enabled individuals taking second jobs (€)					
Country	Low earner hourly labour costs (€)	Low earner hourly reorganisation costs (€)	Low estimate (3% of eligible workers take 2nd job)	Mid-range estimate (6% of eligible workers take 2nd job)	High estimate (12% of eligible workers take 2nd job)
FI	13.54	1.90	250 751	501 501	1 003 002
IE	15.83	2.22	1 383 118	2 766 237	5 532 474
IT	9.81	1.37	205 657	411 313	822 626
MT	6.66	0.93	18 617	37 234	74 469
NL	12.57	1.76	1 705 846	3 411 692	6 823 384
SE	14.50	2.03	243 165	486 331	972 662
UK	11.63	1.63	2 887 673	5 775 345	11 550 691
TOTALS			**6 694 827**	**13 389 654**	**26 779 307**

Source:
Low earner hourly labour costs = Low earner hourly wage x 1.178;
Low earner hourly reorganisation costs = Low earner hourly labour costs x 0.14

5.8.6. Indirect benefits

Evidence from the survey shows that **nearly two thirds of all employers (63-66%) believed that the prohibition of exclusivity clauses would generate labour market benefits** such as better working conditions, improved workforce productivity, less unfair competition, better labour relations, greater labour market transparency and greater competitiveness. Only 21-22% believed that each of those benefits would not arise at all.

The prohibition of exclusivity clauses would also have the potential to raise tax revenues, through the increased wages paid to on-call workers tking a second job.

Based on the increased earnings of workers, the table below provides an estimate of the likely increase in tax revenues in each country using Eurostat estimates of tax rates on low earners ('single person without children, 50% of average wage').

Table 77 Increase in tax revenues from on-call workers taking a second job as a result of the prohibition on exclusivity clauses

	Increase in tax revenues from on-call workers taking a second job as a result of the prohibition on exclusivity clauses (€)			
Country	**Low earner tax rate (%)**	**Low estimate (3% of affected workers take 2nd job)**	**Mid-range estimate (6% of affected workers take 2nd job)**	**High estimate (12% of affected workers take 2nd job)**
FI	18.69	2 486 486	4 972 972	9 945 943
IE	3.11	2 282 204	4 564 408	9 128 816
IT	15.88	1 732 717	3 465 435	6 930 870
MT	10.02	98 973	197 946	395 892
NL	16.08	14 553 270	29 106 541	58 213 081
SE	20.08	2 590 599	5 181 198	10 362 396
UK	14.68	22 490 999	44 981 998	89 963 995
TOTALS		**46 235 248**	**92 470 497**	**184 940 994**

Source: Tax rate [earn_nt_taxrate] (Eurostat).

5.9. Option 5.5: right to request a new form of employment

The right to request a new form of employment is relevant to all employees, but particularly to casual workers (who might want more stable employment), to fixed-term workers or to part-time workers (who might want more hours or a full-time contract).

5.9.1. Baseline situation

The legal coverage presented earlier in the report has highlighted the Member States where this right is provided or not. The table below provides a summary.

Table 78 Legal coverage of right to request a new form of employment across MS

No formal right to request	Formal right to request for all workers
AT, BE, CZ, DK, EE, FI, HU, IT, LV, MT, PL, SE, SK	BG, CY, DE, EL, ES, FR, HR, IE LT, LU, NL, PT, RO, SI, UK

Source: Own CSES PPMI research.

The survey shows that, of those offering an opinion, **the overwhelming majority of employers (73%) already respond in writing to employee requests for a new form of employment**.[164] Of these, the majority report that they respond systematically to all requests. However, more than one quarter (of those offering an opinion) never replied in writing.

Among the employers already responding either systematically or frequently, **the overwhelming majority report a range of benefits for the organisation**. Indeed, 74-91% of employers reported that their organisation had enjoyed each of the benefits.

The majority of employers reported that they have **incurred additional administrative costs through responding in writing to requests** for new forms of employment. Indeed, each type of administrative cost was reported by about 70% of employers. The majority of employers also report **increased labour costs (72%) and reduced workforce flexibility (64%)**. However, employers were generally less likely to report each type of costs than the types of benefits presented earlier.

There is evidence that **many employees would like to request a new form of employment**. For example:

- 53% of fixed-term workers in Europe would prefer a permanent contract. The share of such 'involuntary fixed-term employment' is much higher in countries such as Cyprus (94%) and Romania (89%).[165]
- Over two thirds of employees who work on temporary contracts do so involuntarily. In 2016, 77% of prime-age and older temporary employees and 69% of younger temporary employees were working on a temporary contract because they could not find a permanent job.[166]

[164] Excluding respondents that do responded 'Don't know'.

[165] European Parliament (2016), Precarious Employment in Europe: Patterns, Trends and Policy Strategies.

[166] European Commission (2017), Employment and Social Developments in Europe 2017.

5.9.2. Direct benefits for workers

The right to request a new form of employment would cover all 186 m employees across the EU (unless otherwise excluded from the scope of the Directive). Taking into the current situation in each country, **it is estimated that 55 m employees would benefit from a new right at EU level**.

Table 79 Number of employees that would benefit from a new right to request

Countries with no formal right to request	Number of employees that would benefit from a new right to request
AT	3 656 500
BE	3 894 800
CZ	1 480 000
DK	2 521 200
EE	553 700
FI	2 076 100
HU	3 862 100
IT	17 183 300
LV	753 400
MT	163 900
PL	12 680 900
SE	4 318 500
SK	2 093 400
TOTALS	**55 237 800**

Source: Eurostat.

As noted earlier, 53% of fixed-term workers in Europe would prefer a permanent contract. Fixed-terms workers constistute 14.2% of total employees.[167] This suggests that **up to 14m fixed-term workers might wish to make use of this right**.

The survey results highlighted some differences between countries. Employers replying to casual workers requesting more stable work or a change from a short contract to a longer contract. Slovakian employers (14%) seem to be replying least to such requests, compared to 23% in both Germany and Poland, followed by Italy (31%) and UK (32%). Slovakia and Poland would be most affected if they had to reply in writing to such requests in terms of the influence this would have on casual worker recruitment. Only 20% in SK, flowed by

[167] European Commission (2017), Employment and Social Developments in Europe 2017.

35% in PL, of employers claimed that the need to reply in writing would make no difference to casual worker recruitment, compared to 43% in DE, 48% in IT and 52% in UK.

5.9.3. Direct benefits for employers

The survey found that employers that do not currently respond systematically in writing were on balance positive about the potential benefits of any change. Indeed, around 37-53% believed that they would gain the types of benefits reported by employers that already provide minimum hours.

However, around half of these employers were uncertain that such benefits would arise in practice. Around 24-35% did not believe that each benefit would arise in practice and around 25-28% did not know.

5.9.4. Direct costs for employers

It is assumed that employers would incur costs in familiarising themselves with the requirement of a revised Directive. Based on fixed costs per company from previous studies, these costs are estimated to be those in the table below. They would arise in all countries that have not provided this right.

It should be noted that these costs are not cumulative to the familiarisation costs in Option 2; employers only need to familiarise themselves once.

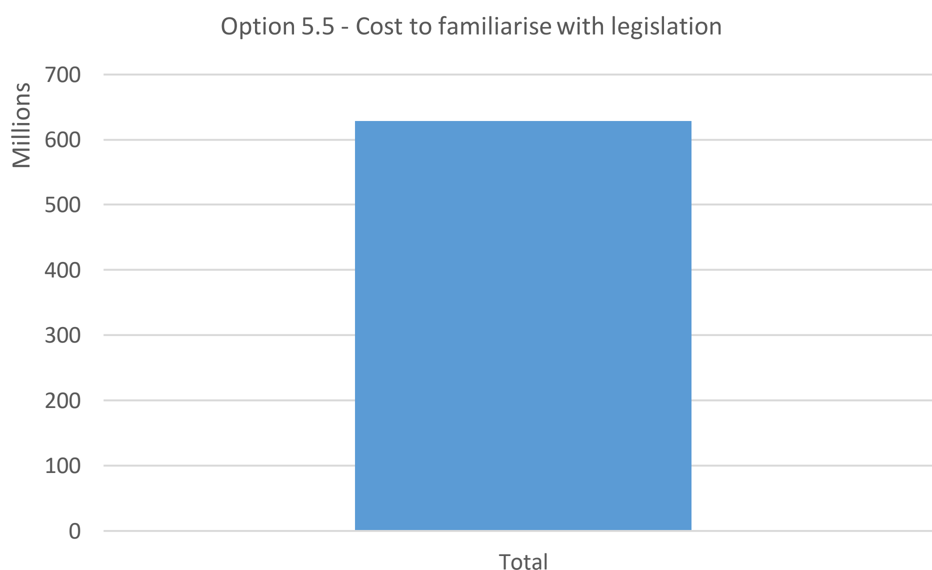
The estimated compliance costs for employers for Option 5.5 for all employees is as follows.

Table 80 Employers compliance cost of adoption of Option 5.5

Type of cost	EURO (€) million
Cost for all employers to familiarise themselves with the new legislation	€ 629.0

Source: Own CSES PPMI research.

Figure 21 Cost for all employers to familiarise with new legislation (Option 5.5)



Source: Own CSES PPMI research.

Regarding administrative burdens, the survey provides the following evidence:

- No more than 50% of employers believed they would incur each type of administrative cost. Of these, most of those felt that this would only be to a modest extent, not a great extent.
- About 30% of employers did not believe they would incur additional administrative costs and a further 21-23% did not know.
- Less than half of employers believe that such a reform would increase their labour costs and reduce workforce flexibility and most of those felt that this would only be to a modest extent, not a great extent.

5.9.5. Indirect costs

No clear pattern emerges regarding the extent to which and the ways in which employers would adjust their workforces in response to a new requirement:

- Any changes to workforces in response to the introduction of this right are not likely to be very significant.
- Only 6% of employers reported that they would change their workforce to a great extent and 23% to a modest extent
- Nearly 44% would not change their workforce
- More than one quarter of employers (27%) did not know what difference it would make.

5.9.6. Indirect benefits

Across all employers, the proportion that believes that such a reform would be of overall benefit to the labour market is higher than the proportion that believes it would make no difference. This is particularly true of the potential to bring about better working conditions. However, there was a high degree of uncertainty, with 21-25% of employers reporting that they did not know.

Providing the right to request a new form of employment has the potential to improve productivity to the extent that it facilitates the movement of temporary workers into permanent employment. Previous research has found that a high proportion of temporary work, even when controlling for sectoral differences and for firm size, harms total factor productivity growth in various ways including limited incentives for workers to acquire firm-specific knowledge, fewer on-the-job training opportunities, workers making less effort, low utilisation of skills and discretion. Facilitating the movement of temporary workers into permanent employment also has the **potential to increase tax revenues and reduce expenditure on social security.** The same research has found that if not followed by another job, short employment spells have negative fiscal implications due to lower contributions and higher expenditure on benefits.[168]

However, it should be noted that the right to request a new form of employment would be just one of many factors determining the movement of temporary workers into permanent employment. It is therefore impossible to specify the extent to which such a shift could be solely attributed to such a reform.

5.10. Option 5.9: maximum probation period

The right to a maximum probation period is relevant to all employees.

5.10.1. Baseline situation

The legal coverage presented earlier in the report has highlighted the Member States where this right is provided or not. The table below provides a summary.

Table 81 Legal coverage of right to maximum probation period across MS

Maximum duration of 3 months	Maximum duration of 3-6 months	Maximum duration of 6 months	No maximum duration	Probation periods not allowed
DK, LT, LV, PL	AT, CY, CZ, EE, EL, ES, FR, IT, LU, MT, NL, PT, RO, SK	BG, DE, FI, HR, HU, SE, SI	IE, UK	BE

Source: Own CSES PPMI research.

The survey shows that:

- **The overwhelming majority of employers (80%) use probation periods**. Excluding 'don't know' responses, this rises to 85% of employers.
- Of employers using probation periods, **21% have not defined the length of that period**. This suggests that a significant proportion of employers may benefit from legal exclusions or fail to comply with national legislative requirements regarding the maximum duration of probation periods.
- Among those using a probation period, **the median length is no more than 3 months**.
- **Nearly one quarter of employers (24%) have probation periods of more than one year** (including undefined periods).

[168] European Commission (2017), Employment and Social Developments in Europe 2017.

Of the countries covered by the survey, the UK is the only country which does not currently specify the maximum duration of probation periods. Regardless of the legal situation, the survey responses from the UK were consistent with those from the other countries:

- **The overwhelming majority of employers (71%) use probation periods**. Excluding 'don't know' responses, this rises to 78% of employers.
- Of employers using probation periods, less **than 13% have not defined the length** of that period.
- Among those using a probation period, **the median length is no more than 3 months**.
- **Only 16% of employers have probation periods of more than one year** (including undefined periods).

The survey responses highlighted some differences between countries. Italian employers suggested <1 month (35%) and 1-3 months (34%) as appropriate periods. German employers stated 3-6 months (41%) and 1-3 months (38%). The majority of Polish employers (56%) claimed 1-3 months was appropriate, mirrored by Slovakian employers (43%) and UK employers (49%). To sum up, most employers suggested that probation periods of 1-3 months were appropriate, with some different opinions in Germany in favour of a longer period and Italy, in favour of a shorter period.

5.10.2. Direct benefits for workers

If a new right to a maximum probation period is provided for all employment relationships (except very specific situations), this would benefit all individuals taking up a new job. The number benefiting each year will depend on the rate of turnover of employees. The table below offers estimates based on a low rate of turnover (10%) and a high rate (20%). The estimates take into account existing maximum probation periods set at national level. It assumes that after a revision of the Directive very few employers remain outside the scope of the Directive.

Table 82 Number of workers benefittng from new right to maximum probation period

	Number of workers benefiting from new right to maximum probation period			
	Maximum duration of 3 months		Maximum duration of 6 months	
	Low estimate (10% turnover p.a.)	High estimate (20% turnover p.a.)	Low estimate (10% turnover p.a.)	High estimate (20% turnover p.a.)
AT			-	-
BE	-	-	-	-
BG	295 430	590 860	-	-
CY	35 390	70 780	-	-
CZ	501 590	1 003 180	-	-
DE	4 016 510	8 033 020	-	-
DK	-	-	-	-
EE	61 230	122 460	-	-
EL	361 030	722 060	-	-
ES	1 818 270	3 636 540	-	-
FI	237 950	475 900	-	-
FR	2 624 340	5 248 680	-	-
HR	156 660	313 320	-	-
HU	430 940	861 880	-	-
IE	195 340	390 680	195 340	390 680
IT	2 224 110	4 448 220	-	-
LT	-	-	-	-
LU	25 940	51 880	-	-
LV	-	-	-	-
MT	18 870	37 740	-	-
NL	822 340	1 644 680	-	-
PL	-	-	-	-
PT	437 120	437 120	-	-
RO	816 610	816 610	-	-
SE	473 560	947 120	-	-
SI	90 250	180 500	-	-
SK	247 170	494 340	-	-
UK	3 042 380	6 084 760	3 042 380	6 084 760
TOTAL	18 933 030	36 612 330	3 237 720	6 475 440

NB: Where no figure offered, maximum probation period has already been established in national law.
Source: Eurostat (lfsa_egan2).

While the above number of employees would gain new rights, **the number of employees that would benefit in practice might be much lower**. In the two countries with no maximum duration – and UK – there are legal arguments or precedents that limit the duration in practice. In Ireland, it could be argued that the Unfair Dismissals Acts 1977-2015 imply a maximum duration of probation of one year, as section 3 of the 1977 Act excludes from its scope a worker on probation only where the probationary period is set out in the contract and is under one year. In the UK, previous cases have established the expectation that employers will be reasonable in setting the length of probation period.

5.10.3. Direct benefits for employers

The survey suggests **high acceptance of employers about the need to specify a maximum duration of probation periods**:

- more than three quarters of employers responding to the survey believe that it is appropriate to specify a maximum probation period.
- fewer than one in five believe that the maximum length should not be defined in legislation.
- of those accepting the need for this reform, the median suggested length of maximum probation period is no more than three months.

5.10.4. Direct costs for employers

Compliance costs for employers are as follows. It is assumed that employers would incur costs in familiarising themselves with the requirement of a revised Directive. Based on fixed costs per company from previous studies, these costs are estimated to be those in the table below. They would arise in all countries that have not provided this right.

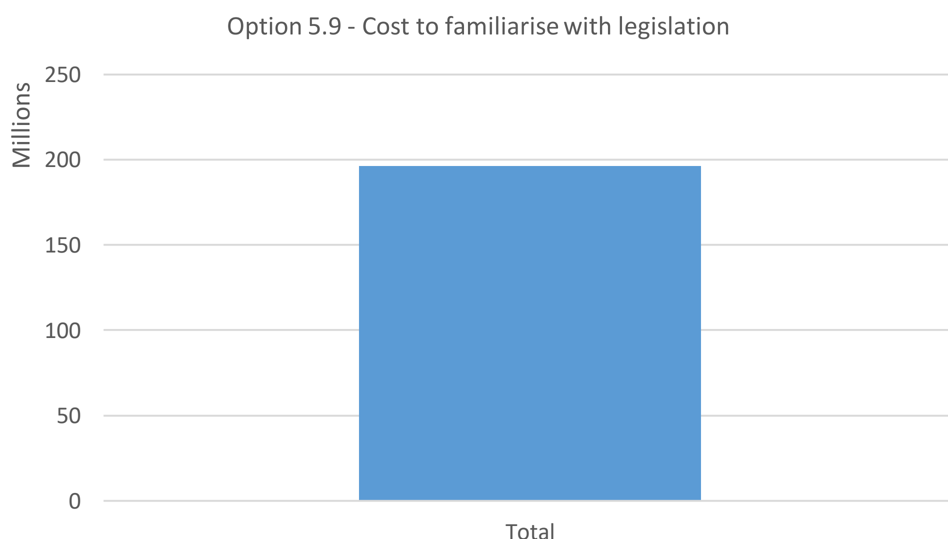
It should be noted that these costs are not cumulative to the familiarisation costs in Option 2; employers only need to familiarise themselves once.

Table 83 Employer compliance cost of adoption of Option 5.9

Type of cost	EURO (€) million
Cost for all employers to familiarise themselves with the new legislation	€195.9 m

Source: Own CSES PPMI research.

Figure 22 Cost for all employers to familiarise with the new legislation (Option 5.9)



Source: Own CSES PPMI research.

5.10.5. Indirect costs

The defintion of maximum probation periods may create the **risk that employers use temporary or fixed-term contracts to circumvent probation periods**. Previous research has provided evidence on the extent to which this might occur based on examples from two Member States.[169] In Germany, fixed-term contracts are often used as extended probationary periods, given the high level of employment protection in Germany. This has been found to particularly occur in times of economic uncertainty and allows German employers to lower the barriers to hiring new employees. However, the risk of probation periods being used in this way should not be overstated; in 2021, 39% of all fixed-term contracts in Germany were converted into permanent positions (up from 30% in 2009). Similarly in Spain, the Law 3/2012 of 6 July 2012 on urgent measures for labour market reform created a new type of contract featuring a probationary period of 12 months, during which time the employee has no legal protection against dismissal. A report for the Spanish government found that such contracts are not systematically terminated once the first year is over; despite the long probationary period, such contracts are just as likely as permanent contracts to endure beyond the first 12-months.

5.10.6. Indirect benefits

The evidence suggests that a maximum probation period would have overall positive impacts on the labour market. Since 26 Member States already have a maximum duration, there is likely to be limited disruption to current practice. Moreover, the consensus among employers responding to the survey is that a maximum limit would be appropriate, taking into account the need to protect the business and give the employee some security. The median length proposed by employers was less than 3 months.

[169] European Parliament (2016), Precarious Employment in Europe: Patterns, Trends and Policy Strategies

6. OVERALL IMPACTS OF THE OPTIONS

In this section, we summarise the impacts for each scenario.

6.1. Overall impacts: Scenario A: no change

The impacts would depend on whether Member States choose to revise relevant legislation within the parameters set by the Directive and other EU legislation. Some might choose to adopt some of the proposed provisions (if not yet adopted) or to repeal them (if already adopted). The costs and benefits for employers, workers, public authorities and other stakeholders are therefore entirely unknown. However, for the purpose of this exercise, it is assumed that Member States make no revisions to current legislation. The main impacts would therefore be:

- **Direct effects for workers**: All workers currently covered by the Directive would retain the EU protection of right to receive a written statement. Over time, it can be expected that the proportion of workers not covered by the Directive will increase, given that the number of people in atypical forms of employment is expected to grow at a faster rate than those in standard forms of employment. A higher proportion of the workforce will therefore be at risk of not receiving information on the esssential elements of their employment relationship.

- **Direct effects for employers**: as employers tend to recruit more people into forms of employment not covered by the Directive, they may make very small cost savings compared to the current situation. However, the majority are likely to continue providing them for all/most workers, as they value the benefits and consider the administrative cost to be a 'business-as-usual' cost.

- **Impact on the labour market**: Casual workers currently subject to exclusivity clauses would continue to be prevented from taking a second job with another employer and those employers would not enjoy access to such labour.

- **Impact on working conditions**: risk of gradual deterioration in working conditions as the number of workers not covered by the Directive (and more likely to be in precarious situations) is likely to grow at a faster rate than those covered by the Directive. Risk of less harmonised working conditions across the EU.

- **Impact on public finances**: lost opportunities to benefit from increased tax revenues, reduced social security payments arising from on-demand/zero-hours contract workers taking second jobs.

- **Impact on competitiveness and productivity**: continuation of unfair competition from other employers with lower standards. Where employers choose not to provide written statements, they would face the risk of reduced workforce retention and loyalty, etc.

- **Impact on application and enforcement**: no change.

Impact on fundamental rights: no infringement but lost opportunities to support greater equality between men and women (particularly by improving working conditions of women), right to engage in work (on-demand/zero-hours workers remaining subject to exclusivity clauses), right to effective remedy/access to justice (use of written statement as a tool to support cases brought by workers) and solidarity (protection from unfair dismissal, fair and just working conditions, family and professional life).

6.2. Overall impacts: Scenario B (Options 1, 2, 3, 4)

This scenario features the following revisions:

- Extension of the scope of the Directive to include: i) employees having a contract duration not exceeding one month; ii) employees with a working week not exceeding eight hours; iii) casual workers currently excluded; iv) certain types of worker who are currently excluded because they do not fall under national definitions of 'employee.'
- Strengthening the information package.
- Strengthening means of redress, sanctions and access to dispute resolution.
- Shortening the deadline.

The main impacts would be as follows:

Table 84 Overall impacts of Scenario B (Options 1, 2, 3, 4)

	Direct benefits and costs
Direct benefits for workers – right to written statement	• 2.4 m-3.2 m increase in number of workers having the right to a written statement • 3.5 m employees working <8 hours per week having the right to a written statement • 447 000 increase in number of employees working <8 hours per week having the right to a written statement • 1.6 m employees with contract duration of <1 month having the right to a written statement • 658 000 increase in number of employees with contract duration of <1 month having the right to a written statement • 1.2m-2.0 m increase in number of casual workers having the right to a written statement • Employees having: better understanding of basic working conditions & rights at work; clarity in employment relationship; better protection against possible infringements of rights; better access to social security protection through having proof of employment • Better integration of casual, part-time, fixed-term and other atypical workers in other countries due to provision of written statements
Direct benefits for workers – strengthened information package	• 46.3 m additional employees having new right to information about duration and conditions of probation periods (of those, 37 m whose contracts include probation periods) • 94.4 m additional employees having new right to information about the social security system into which the employer is contributing • 153.4 m additional employees having new right to information about the national law applicable in case of

	Direct benefits and costs
	termination of contract • 145.2 m additional employees having new right to information about working time (including possibility of extra hours) • 4.6 m-9.3 m additional employees p.a. starting a job and receiving information about duration and conditions of probation periods • 9.4 m-18.9 m additional employees p.a. starting a job and receiving information about social security system into which the employer is contributing • 15.3 m-30.7 m additional employees p.a. starting a job and receiving information about national law applicable in case of termination • 14.5 m-29.0 m additional employees p.a. starting a job and receiving information about precise working time (including possibility of extra hours) • 15.3 m-30.7 m additional employees p.a. leaving a job having had the right to receive information about national law applicable in case of termination
Direct benefits for workers – shorter deadline (1 month)	• Increased legal certainty from receiving written statements at an earlier date • 49.0 m (26% of EU workforce) additional employees having new right to receive a written statement within 1 month of starting employment • 4.9 m-9.8m additional employees p.a. starting a job and having new right to receive a written statement within 1 month of starting employment
Direct benefits for workers – shorter deadline (15 days)	• Increased legal certainty from receiving written statements at an earlier date • 107.7 m (58% of EU workforce) additional employees having new right to receive a written statement within 15 days of starting employment • 10.8-21.5 m additional employees p.a. starting a job and having new right to receive a written statement within 15 days of starting employment • 348 000 additional workers with contract duration of less than 1 month benefiting from a deadline of 15 days • 348 000 workers with contract duration of less than 1 month not benefiting from a deadline of 1st day of employment or before
Direct benefits for workers – shorter deadline (1st or before)	• Increased legal certainty from receiving written statements at an earlier date • 111.7 m (60% of EU workforce) additional employees having new right to receive a written statement on the 1st day of employment or before • 11.2 m-22.3 m additional employees p.a. starting a job and having new right to receive a written statement on the 1st day of employment or before • 717 000 additional workers with contract duration of less than 1 month benefiting from a deadline of 1st day of employment or before
Direct costs for workers	• None
Direct benefits for employers	• Modest additional benefits since many employers already provide such information (either as required by national legislation or through choice) • Increased legal certainty for 16% of employers (i.e. those not currently providing a written statement for all employees due to legal exemptions)
Direct costs for employers	• Significant one-off costs for companies to familiarise themselves with the legislation

	Direct benefits and costs
	• One-off cost of providing written statements for existing staff that are newly covered by an extension of the Directive: EUR 114m-EUR 152m • Additional costs to provide written statements for new employees that fall within the categories covered by the Directive: • Additional annual cost of providing written statements (assuming 10% staff turnover): EUR 11.4m-15.2 m • Additional annual cost of providing written statements (assuming 20% staff turnover): 22.7 m-30.3 m • Total cost of providing written statements in first year: EUR 125.4m-182.3 m • Cost of familiarisation, etc.: EUR 852.5m

	Overall labour market impacts
Change in number of people employed	• Negligible: employers' recruitment decisions unlikely to be significantly affected by an extension of the Directive, strengthened information package or shorter deadline
Change in number of hours worked	• No change
Number of casual workers gaining a second job after prohibition of exclusivity clauses	• No change
Displacement of workers covered by the Directive by workers not covered	• Overall substitution effects arising from provision of written statements likely to be negligible (majority of employers already provide written statements; requirement to provide written statements tends to have negligible influence on recruitment decisions) • Reduction in (already small) risk of workers covered by the Directive being replaced by workers not uncovered • Very slight increase in risk of workers with employment contracts being replaced by informal agreements or self-employment contracts (whether legal or bogus)

	Overall impact on working conditions
Reduction in undeclared work	• Considerable reduction in undeclared work, as absence of a written statement in an employment relationship is often indicative of undeclared work • Reduction in 'unwitting' undeclared work by employees not receiving a written statement • Reduction due to reduced deadline for providing written statements (in part because fewer temporary workers will complete their contract before receiving a written statement) • Increased ease of detection of undeclared work (provision of information on the employment relationship and the declaration of the relationship to the relevant authorities typically occur at the same time) • Undeclared work occurs most often in sectors with high prevalence of casual work (e.g. construction, catering, agriculture) – bringing casual workers into the scope of the Directive will expose undeclared work and facilitate detection. • Reduction in social dumping based on regulatory evasion and on 'regulatory arbitrage,' i.e. unfair competition based on exploitation of differences between national regulatory regimes

	Overall impact on working conditions
Reduced abuse of workers	• Increase in number of workers receiving written statement will reduce abuse, as written statements facilitate the control of other working conditions by the relevant body e.g. labour inspectorates • Increase in number of workers having new right to a written statement and thus information about collective agreements governing the employee's conditions of work
Workers having better reconciliation between work and family life	• Increase in number of workers having new right to a written statement and thus information about amount of paid leave and normal working day • 145.2 m additional employees having new right to information about working time will reduce involuntary/inadvertent overtime
More predicable working hours through conversion of on-call jobs into minimum hour contracts	• None
Less abuse of probation periods	• Reduction in abuse of probation periods, as all workers (except small number not covered by a revised Directive) will have information about the duration and conditions of probation period • 27.7 m employees (IE, UK) will continue to have no right to a maximum probation period • 5.8 m employees (21% of employees in IE, UK) will continue to have probationary periods with no maximum duration • Continuation of abuses linked to lack of statutory maximum probation period (IE, UK) • 137 m employees will continue to have statutory maximum probation period >3 months (AT, BG, CY, CZ, DE, EE, EL, ES, FI, FR, HR, HU, IT, LU, MT, NL, PT, RO, SE, SI SK)
Increased ability of workers to gain redress	• Right to a written statement reinforces cases brought related to infringements of other rights
Improved conditions of transnational working and greater mobility	• More harmonised information requirements across the EU • Increase in workers written information will help them to move between employers and have their work recognised • More employees receiving essential information about conditions pertaining to any periods of work abroad

	Overall impact on public finances
Increased tax revenues from change in number of hours worked	• Negligible
Reduction in social security from change in employment or hours worked	• Reduction in fraudulent social security claims linked to bogus self-employment or undeclared work • Increase in legitimate social security claims due to better employee awareness
Cost of enforcement & support for employers	• Increased costs of enforcement due to higher number of workers covered
Cost of transposition	• EUR 57 000
Cost of developing new models and templates, and making	• EUR 14 000 – EUR 29 000

	Overall impact on public finances
information available to employers	

	Overall impact on competitiveness and productivity
Significance of administrative costs to overall labour costs	• Increase in compliance and administrative costs is negligible compared to total labour costs • Majority of employers do not find any particular aspect of the current Directive to be particularly burdensome at all
Number or % of employers likely to experience an increase / decrease in competitiveness (taking into account reduction in unfair competition, loss of flexibility, etc.)	• More than 80% of employers are likely to benefit from less 'unfair competition,' as they already provide written statements for employees working <8 hours per week, employees with contracts of less than one month's duration, on-demand workers and intermittent workers • No loss of flexibility of casual workforce
Number or % of employers likely to experience an increase in staff retention, loyalty and productivity plus a reduction in legal costs, court cases, etc.	• Around 20% of employers who do not currently provide written statements will benefit (the current Directive has been found to increase staff retention, loyalty and productivity plus a reduction in legal costs, court cases, etc. (REFIT))

	Overall impact on application and enforcement
Extent to which options have already been adopted	• Option 1 (8 hours per week): already adopted in 24 Member States • Option 1 (<1 month): already adopted in 14 Member States • Option 2 (information on probation period): already adopted in 21 Member States • Option 2 (information on social security system): already adopted in 7 Member States • Option 2 (information on probation period): already adopted in 4 Member States • Option 2 (information on probation period): already adopted in 9 Member States • Option 4 (1-month deadline): already adopted in 23 Member States (or shorter) • Option 4 (15-days deadline): already adopted in 15 Member States (or shorter) • Option 4 (1st day deadline): already adopted in 10 Member States (or shorter) • Option 4 (before contract formed): already adopted in 7 Member States (or shorter)
Strengthening enforcement and ease of modifying or strengthening means of redress and sanctions	• Significant increase in number of workers receiving right to information (+ more information + earlier) which is essential to gaining justice • Significant contribution due to more accessible redress mechanisms, increased number of employees with their rights protected, stronger legal basis for complaints, increased court cases due to the stronger position of employees • Increase in number of employees using dispute resolution to seek

	redress for violations as a non-judicial dispute resolution is less damaging for employment relations

	Overall impact on fundamental rights
Confirmation that no fundamental rights will be impinged (e.g. right to operate a business)	• Confirmed: no change to the current situation (REFIT study found no obvious discrepancies between the Directive and the Charter of Fundamental Rights of the EU)
Contribution to equality between men and women	• Significant contribution, as workers not currently covered by the Directive are more likely to be female (<8 hours per week, casual, etc.)
Contribution to freedom to choose an occupation and right to engage in work	• Significant contribution to converting undeclared work and thus an individual's right to engage in legal employment
Contribution to right to effective remedy	• Significant increase in number of workers receiving right to information (+ more information + earlier) which is essential to gaining justice • Significant contribution due to more accessible redress mechanisms, increased number of employees with their rights protected, stronger legal basis for complaints, increased court cases due to the stronger position of employees • Increase in number of employees using dispute resolution to seek redress for violations as a non-judicial dispute resolution is less damaging for employment relations
Contribution to solidarity (protection from unfair dismissal, fair and just working conditions, family and professional life)	Significant contribution as: • Additional employees receiving written statement and thus having better understanding of basic working conditions & rights at work; clarity in employment relationship; better protection against possible infringements of rights; better access to social security protection through having proof of employment • 93.9 m additional employees having new right to information about the social security system into which the employer is contributing • 153.4 m additional employees having new right to information about the national law applicable in case of termination of contract
Access to justice	• Significant increase in number of workers receiving right to information (+ more information + earlier) which is essential to gaining justice

Source: Own CSES PPMI research.

6.3. Overall impacts: Scenario C (Options 1, 2, 3, 4, 5)

This scenario features the following revisions:

- Extension of the scope of the Directive to include: i) employees having a contract duration not exceeding one month; ii) employees with a working week not exceeding eight hours; iii) casual workers currently excluded; iv) certain types of worker who are currently excluded because they do not fall under national definitions of 'employee.'

- Strengthening the information package.

- Strengthening means of redress, sanctions and access to dispute resolution

- Shortening the deadline.

- Provide certain basic rights: i) for employment relationships where working time is very flexible; ii) for all employees.

The main impacts would be as follows. **Impacts that are additional to or different from those in Scenario B are highlighted in bold.**

As well as the main impacts in the tables, it is worth highlighting some key differences between Member States:

- Options 5.1, 5.2 and 5.4 will particularly affect employment relationships where working time is very flexible on a daily or weekly basis. As shown earlier, there are eight countries where various forms of on-call, on-demand or zero-hours contracts are widely used: DK, FI, IE, IT, MT, NL, SE, UK. The costs and benefits of these sub-options will therefore mostly arise within those countries.

- Within Denmark, such workers enjoy better protection already and such employment relationships mostly exist in the public sector with each worker typically working a relatively modest number of hours each week. This contrasts with other countries, e.g. the UK, where many zero-hours contract workers work almost full-time. Effects in Denmark will therefore be very modest.

- In other countries, it may be that the number of workers with on-call, on-demand or zero-hours contracts might grow as and when Member States liberalise their labour markets and labour protections. In that way, their labour markets might follow the trajectory taken by countries such as DK, FI, IE, IT, MT, NL, SE, UK over the last 10-20 years. In those countries, the introduction of Options 5.1, 5.2 and 5.4 might therefore prevent poor working conditions from arising (employment relationships where working time is very flexible) rather than remedying existing problems.

- Option 5.5 would particularly benefit employees in countries where the share of such 'involuntary fixed-term employment' is relatively high, such as Cyprus (94%) and Romania (89%).

- Option 5.9 will only affect IE and UK, provided that the maximum duration of probation is no more than 6 months.

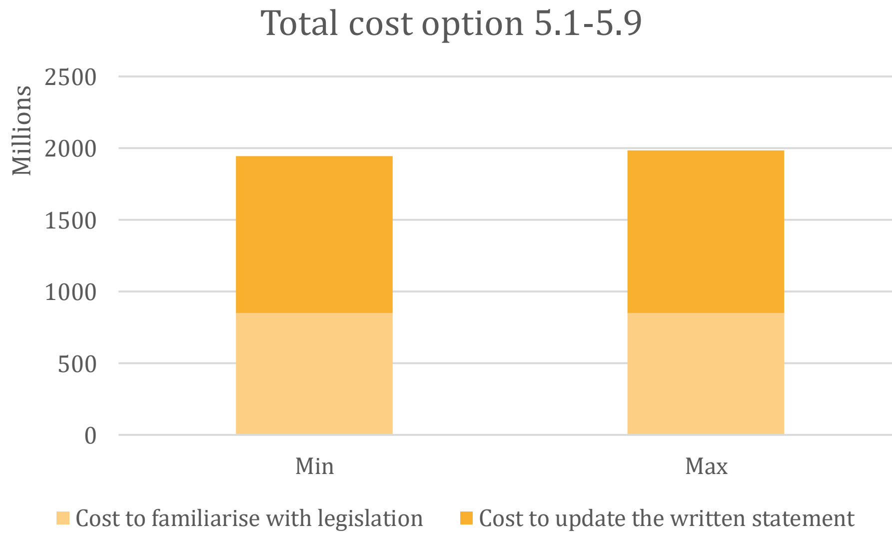
Table 85 Overall impacts of Scenario C (Options 1, 2, 3, 4, 5)

	Direct benefits and costs
Direct benefits for workers – right to written statement	• 2.0 m employees working <8 hours per week having the right to a written statement • 108 000 increase in number of employees working <8 hours per week having the right to a written statement • 1.6 m employees with contract duration of <1 month having the right to a written statement • 664 000 increase in number of employees with contract duration of <1 month having the right to a written statement • Workers having the right to a written statement due to new definition of employee • Employees having: better understanding of basic working conditions & rights at work; clarity in employment relationship; better protection against possible infringements of rights; better access to social security protection through having proof of employment • Better integration of casual, part-time, fixed-term and other atypical workers in other countries due to provision of written statements
Direct benefits for workers – strengthened information package	• 46.3 m additional employees having new right to information about duration and conditions of probation periods (of those, 37 m whose contracts include probation periods) • 93.9 m additional employees having new right to information about the social security system into which the employer is contributing • 153.4 m additional employees having new right to information about the national law applicable in case of termination of contract • 145.2 m additional employees having new right to information about working time (including possibility of extra hours) • 4.6 m-9.3 m additional employees p.a. starting a job and receiving information about duration and conditions of probation periods • 15.3 m-30.7 m additional employees p.a. leaving a job having received information about national law applicable in case of termination
Direct benefits for workers – shorter deadline (1 month)	• Increased legal certainty from receiving written statements at an earlier date • 58.5 m (27% of EU workforce) additional employees having new right to receive a written statement within 1 month of starting employment • 5.9-11.7m additional employees p.a. starting a job and having new right to receive a written statement within 1 month of starting employment
Direct benefits for workers – shorter deadline (15 days)	• Increased legal certainty from receiving written statements at an earlier date • 76.7 m (35% of EU workforce) additional employees having new right to receive a written statement within 15 days of starting employment • 7.7-15.3 m additional employees p.a. starting a job and having new right to receive a written statement within 15 days of starting employment • 348,000 additional workers with contract duration of less than 1 month benefiting from a deadline of 15 days

	Direct benefits and costs
Direct benefits for workers – shorter deadline (1st or before)	• Increased legal certainty from receiving written statements at an earlier date • 81.0 m (37% of EU workforce) additional employees having new right to receive a written statement on the 1st day of employment or before • 8.1-16.2 m additional employees p.a. starting a job and having new right to receive a written statement on the 1st day of employment or before • 696 000 additional workers with contract duration of less than 1 month benefiting from a deadline of 1st day of employment or before
Direct benefits for workers – new rights for casual workers	• **Between 4.3 m and 5.7 m additional casual and voucher-based workers receiving right to reference hours** • **Between 5.2m and 6.7m additional casual and voucher-based workers receiving right to minimum advance notice period** • **Between 5.7 m and 7.1 m additional casual workers receiving right to freedom from exclusivity clauses**
Direct benefits for workers – new rights for all workers	• **55 m additional employees receiving right to request a new form of employment** • **14m fixed-term workers might make use of the right to request a new form of employment** • **31.5 m additional employees receiving right to maximum duration of probation**
Direct costs for workers	• None
Direct benefits for employers	• Modest additional benefits since many employers already provide such information (either as required by national legislation or through choice) • Increased legal certainty for 16% of employers (i.e. those not currently providing a written statement for all employees due to legal exemptions) • **EUR 42m-EUR 167m annual additional revenues to secondary employers due to prohibition of exclusivity clauses** • **Qualitative gain in workforce productivity for the majority of employers (reported by most of those already providing rights under Option 5 and anticipated by most of those not yet providing such rights)**
Direct costs for employers	• One-off cost of providing written statements for existing staff that are newly covered by an extension of the Directive: EUR 114m-EUR 152m • Additional annual cost of providing written statements (assuming 10% staff turnover): EUR 11.4m-15.2 m • Additional annual cost of providing written statements (assuming 20% staff turnover): 22.7 m-30.3 m • Total cost of providing written statements in first year: EUR 125.4m-182.3 m • Cost of familiarisation, etc.: EUR 852.5m • **EUR 7m-EUR 27m annual reorganisation costs due to unavailability of on-demand/zero-hours staff taking second jobs** • **Total compliance costs Option 5: EUR 1944.5 - EUR 1987.2m**

Source: Own CSES PPMI research.

Figure 23 Total costs (Options 5.1-5.9)



Source: Own CSES PPMI research.

Table 86 Option 5 costs split

Type of cost	EURO (€) million	
	Max	Min
Cost for all employers to familiarise themselves with the new legislation	852.5	852.5
Cost to update written statements for employees already covered by the Directive*	1 092.0	1 134.7
TOTAL	1 944.5	1 987.2

Source: Own CSES PPMI research.

*options 5.1-5.4 only include casual and voucher-based workers. Option 5.5 and 5.9 affect all employees

Table 87 Overall impacts of Scenario C (Options 1, 2, 3, 4, 5) continued

	Overall labour market impacts
Change in number of people employed	• **91 000 – 364 000 on-demand/zero-hours contract workers enabled to get a second job with another employer**
Change in number of hours worked	• **33m-133 m extra hours worked per year by on-demand/zero-hours contract workers enabled to get a second job with another employer**
Number of casual workers gaining a second job after prohibition of exclusivity clauses	• **91 000–364 000 on-demand/zero-hours contract workers enabled to get a second job with another employer**
Increased income of workers	• **EUR 355m-EUR 1 424m increase in gross annual earnings of on-demand/zero-hours contract workers enabled to get a second job with another employer**
Displacement of workers covered by the Directive by workers not covered	• **Extent of adjustments by employers to their workforces are uncertain but might be modest** • **No overall pattern discernible: most will not adjust their workforces. Of those employing casual workers, a sizeable proportion will make no change. Some (likely to be <50%) may replace casual contracts with standard forms of employment. A smaller proportion may simply recruit fewer casual workers. A yet smaller proportion might replace casual work contracts with informal agreements or self-employment arrangements.**

	Overall impact on working conditions
Reduction in undeclared work	• Considerable reduction in undeclared work, as absence of a written statement in an employment relationship is often indicative of undeclared work • Reduction in 'unwitting' undeclared work by employees not receiving a written statement • Reduction due to reduced deadline for providing written statements (in part because fewer temporary workers will complete their contract before receiving a written statement) • Increase ease of detection of undeclared work (provision of information on the employment relationship and the declaration of the relationship to the relevant authorities typically occur at the same time) • Undeclared work occurs most often in sectors with high prevalence of casual work (e.g. construction, catering, agriculture) – bringing casual workers into the scope of the Directive will expose undeclared work and facilitate detection • Reduction in social dumping based on regulatory evasion and on 'regulatory arbitrage,' i.e. unfair competition based on exploitation of differences between national regulatory regimes
Reduced abuse of workers	• Increase in number of workers receiving written statement will reduce abuse, as written statements facilitate the control of other working conditions by the relevant body e.g. labour inspectorates • Increase in number of workers having new right to written statement and thus information about collective agreements governing the employee's conditions of work
Workers having better reconciliation between work and family life	• Increase in number of workers having new right to written statement and thus information about amount of paid leave and normal working day • 45.2m additional employees having new right to information

	Overall impact on working conditions
	about working time will reduce involuntary/inadvertent overtime • **Casual workers benefiting from reference hours and minimum advance notice period**
More predicable working hours through conversion of on-call jobs into minimum hour contracts	• **Casual workers benefiting from reference hours and minimum advance notice period**
Less abuse of probation periods	• Reduction in abuse of probation periods, as all workers (except small number not covered by a revised Directive) will have information about the duration and conditions of probation period • 32.4 m employees (IE, UK) will continue to have no right to a maximum probation period • 6.8 m employees (21% of employees in IE, UK) will continue to have probationary periods with no maximum duration • Continuation of abuses linked to lack of statutory maximum probation period (IE, UK) • 163 m employees will continue to have statutory maximum probation period >3 months (AT, BG, CY, CZ, DE, EE, EL, ES, FI, FR, HR, HU, IT, LU, MT, NL, PT, RO, SE, SI SK)
Increased ability of workers to gain redress	• Right to a written statement reinforces cases brought related to infringements of other rights
Improved conditions of transnational working and greater mobility	• More harmonised information requirements across the EU • Increase in workers written information will help them to move between employers and have their work recognised • More employees receiving essential information about conditions pertaining to any periods of work abroad

	Overall impact on public finances
Increased tax revenues from change in number of hours worked	• **EUR 46m-EUR 185m annual additional tax revenues from on-demand/zero-hours contract workers taking a second job due to prohibition of exclusivity clauses**
Reduction in social security from change in employment or hours worked	• **Reduction in social security payments resulting from 33m-133 m extra hours worked per year by on-demand/zero-hours contract workers enabled to get a second job with another employer** • Reduction in fraudulent social security claims linked to bogus self-employment or undeclared work • Increase in legitimate social security claims due to better employee awareness
Cost of enforcement & support for employers	• Increased costs of enforcement due to higher number of workers covered
Cost of transposition	• EUR 57 000

	Overall impact on competitiveness and productivity
Significance of administrative costs to overall labour costs	• Increase in compliance and administrative costs is negligible compared to total labour costs • Majority of employers do not find any particular aspect of the current Directive to be particularly burdensome at all
Number or % of employers likely to experience an increase / decrease in competitiveness (taking into account reduction in unfair competition, loss of flexibility, etc.)	• More than 80% of employers are likely to benefit from less 'unfair competition,' as they already provide written statements for employees working <8 hours per week, employees with contracts of less than one month's duration, on-demand workers and intermittent workers • **Secondary employers having access to 91 000–364 000 workers for 33m-133 m hours per year**

	Overall impact on competitiveness and productivity
	• **Of those not yet providing basic rights for casual workers, the majority of employers anticipate incurring increased indirect compliance costs from the provision of such rights – although mostly to a modest rather than to a great extent (legal advice, revised scheduling systems, HR manager time, staff training, informing staff)**
Number or % of employers likely to experience an increase in staff retention, loyalty and productivity plus a reduction in legal costs, court cases, etc.	• Around 20% of employers who do not currently provide written statements will benefit (the current Directive has been found to increase staff retention, loyalty and productivity plus a reduction in legal costs, court cases, etc. (REFIT)) • **More employers anticipate gaining benefits from the provision of new basic rights for casual workers: higher staff retention/loyalty, improved productivity, improved worker relations, fewer complaints from workers, fewer court cases related to working conditions, lower training costs, lower other costs, better resource planning & work allocation**

	Overall impact on application and enforcement
Extent to which options have already been adopted	• Option 1 (8 hours per week): already adopted in 23 Member States • Option 1 (<1 month): already adopted in 13 Member States • Option 2 (information on probation period): already adopted in 21 Member States • Option 2 (information on social security system): already adopted in 7 Member States • Option 2 (information on probation period): already adopted in 4 Member States • Option 2 (information on probation period): already adopted in 9 Member States • Option 4 (1-month deadline): already adopted in 23 Member States (or shorter) • Option 4 (15 days deadline): already adopted in 15 Member States (or shorter) • Option 4 (1st day deadline): already adopted in 10 Member States (or shorter) • Option 4 (before contract formed): already adopted in 7 Member States (or shorter)
Strengthening enforcement and ease of modifying or strengthening means of redress and sanctions	• Significant increase in number of workers receiving right to information (+ more information + earlier) which is essential to gaining justice • Significant contribution due to more accessible redress mechanisms, increased number of employees with their rights protected, stronger legal basis for complaints, increased court cases due to the stronger position of employees • Increase in number of employees using dispute resolution to seek redress for violations as a non-judicial dispute resolution is less damaging for employment relations

	Overall impact on fundamental rights
Confirmation that no fundamental rights will be impinged (e.g. right to operate a business)	• Confirmed: no change to the current situation (REFIT study found no obvious discrepancies between the Directive and the Charter of Fundamental Rights of the EU)
Contribution to equality between men and women	• Significant contribution, as workers not currently covered by the Directive are more likely to be female (<8 hours per week, casual, etc.)

	Overall impact on fundamental rights
Contribution to freedom to choose an occupation and right to engage in work	• Significant contribution to converting undeclared work and thus individual's right to engage in legal employment • **Substantial contribution for on-demand/zero-hour contract workers currently prevented from taking a second job by exclusivity clauses**
Contribution to right to effective remedy	• Significant increase in number of workers receiving right to information (+ more information + earlier) which is essential to gaining justice • Significant contribution due to more accessible redress mechanisms, increased number of employees with their rights protected, stronger legal basis for complaints, increased court cases due to the stronger position of employees • Increase in number of employees using dispute resolution to seek redress for violations as a non-judicial dispute resolution is less damaging for employment relations
Contribution to solidarity (protection from unfair dismissal, fair and just working conditions, family and professional life)	Significant contribution as: • Additional employees receiving written statement and thus having better understanding of basic working conditions & rights at work; clarity in employment relationship; better protection against possible infringements of rights; better access to social security protection through having proof of employment • 93.9 m additional employees having new right to information about social security system into which the employer is contributing • 153.4 m additional employees having new right to information about national law applicable in case of termination of contract
Access to justice	• Significant increase in number of workers receiving right to information (+ more information + earlier) which is essential to gaining justice

6.4. Overall impacts: Scenario D (Options 2, 3, 4, 5)

This scenario features the following revisions:

- Strengthening the information package (Option 2).
- Strengthening means of redress, sanctions and access to dispute resolution (Option 3).
- Shortening the deadline (Option 4).
- Providing certain basic rights: i) for employment relationships where working time is very flexible; ii) for all employees (Option 5).

It would not feature an extension of the scope of the Directive to include workers not currently covered.

Under this scenario, **it is assumed that Member States simply transpose the revised Directive and do not otherwise change the current scope or requirements of national legislation**. In particular, it is assumed that Member States do not revise national legislation in such a way as to include/exclude any workers currently within/outside the

scope of the Directive. For example, if national legislation has already brought casual workers (e.g. zero-hours contract workers) into the scope of the Directive, then it is assumed that those casual workers would remain covered and would gain the basic rights proposed under Option 5.

The main impacts would be as follows:

Table 88 Overall impacts of Scenario D (Options 2, 3, 4, 5)

	Direct benefits and costs
Direct benefits for workers – right to written statement	• No increase in number of workers having right to a written statement • Gradual reduction in the proportion of workers covered by the Directive (number of people in atypical forms of employment is expected to grow at a faster rate than those in standard forms)
Direct benefits for workers – strengthened information package	• 43.9 m additional employees having new right to information about duration and conditions of probation periods (of those, 35.6 m whose contracts include probation periods) • 91.2 m additional employees having new right to information about social security system into which the employer is contributing • 149.3 m additional employees having new right to information about national law applicable in case of termination of contract • 141.4 m additional employees having new right to information about working time (including possibility of extra hours) • 4.4m-8.8 m additional employees p.a. starting a job and receiving information about duration and conditions of probation periods • 9.1 m-18.2 m additional employees p.a. starting a job and receiving information about social security system into which the employer is contributing • 14.9 m-29.9 m additional employees p.a. starting a job and receiving information about national law applicable in case of termination • 14.1 m-28.3 m additional employees p.a. starting a job and receiving information about precise working time (including possibility of extra hours) • 14.9 m-29.9 m additional employees p.a. leaving a job having had the right to information about national law applicable in case of termination
Direct benefits for workers – shorter deadline (1 month)	• Increased legal certainty from receiving written statements at an earlier date • 46.7 m (25% of EU workforce) additional employees having new right to receive a written statement within 1 month of starting employment • 4.7m-9.3 m additional employees p.a. starting a job and having new right to receive a written statement within 1 month of starting employment
Direct benefits for workers – shorter deadline (15 days)	• Increased legal certainty from receiving written statements at an earlier date • 103.1 m (55% of EU workforce) additional employees having new right to receive a written statement within 15 days of starting employment • 10.3 m-20.6 m additional employees p.a. starting a job and having new right to receive a written statement within 15 days of starting employment

	Direct benefits and costs
	• 32,000 additional workers with contract duration of less than 1 month benefiting from a deadline of 15 days
Direct benefits for workers – shorter deadline (1st or before)	• Increased legal certainty from receiving written statements at an earlier date • 81.0 m (37% of EU workforce) additional employees having new right to receive a written statement on the 1st day of employment or before • 8.1-16.2 m additional employees p.a. starting a job and having new right to receive a written statement on the 1st day of employment or before • 52,000 additional workers with contract duration of less than 1 month benefiting from a deadline of 1st day of employment or before • 684,000 workers with contract duration of less than 1 month not benefiting from a deadline of 1st day of employment or before
Direct benefits for workers – new rights for casual workers	• 3.1m-3.8 m casual and voucher-based employees (already having the right to a written statement) receiving right to reference hours, minimum advance notice period, freedom from exclusivity clauses
Direct benefits for workers – new rights for all workers	• 52.5m additional employees receiving right to request a new form of employment • 31.5 m additional employees receiving right to maximum duration of probation
Direct costs for workers	• None
Direct benefits for employers	• Modest additional benefits since many employers already provide such information (either as required by national legislation or through choice) • Increased legal certainty for 16% of employers (i.e. those not currently providing a written statement for all employees due to legal exemptions) • Minimal annual additional revenues to secondary employers due to prohibition of exclusivity clauses
Direct costs for employers	• Additional annual cost of providing written statements: EUR 0 • Cost of familiarisation, etc.: EUR 852.5m • Minimal annual reorganisation costs due to unavailability of on-demand/zero-hours staff taking second jobs

Labour market impacts primarily relate to on-demand/zero-hours workers enabled to get a job by prohibition on exclusivity clauses. If the scope of the Directive is not extended (Option 1), then only those on-demand/zero-hours workers that are already covered by the Directive (due to scope of national legislation) will benefit. Precise data are not available, since such workers are not always defined in national data sets, however, the number will be relatively modest.

	Overall labour market impacts
Change in number of people employed	• Modest number of on-demand/zero-hours contract workers enabled to get a second job with another employer
Change in number of hours worked	• Modest number of extra hours worked per year by on-demand/zero-hours contract workers enabled to get a second job with another employer
Number of casual workers gaining a second job after prohibition of exclusivity clauses	• Modest number of on-demand/zero-hours contract workers enabled to get a second job with another employer
Increased income of workers	• Slight increase in gross annual earnings of on-demand/zero-hours contract workers enabled to get a second job with another employer
Displacement of workers covered by the Directive by workers not covered	• Minimal adjustments by employers to their workforces

	Overall impact on working conditions
Reduction in undeclared work	• Slight reduction due to reduced deadline for providing written statements • Overall, minimal reduction, as many/most atypical workers will remain outside the scope of the Directive (undeclared work occurs most often in sectors with high prevalence of casual work, e.g. construction, catering, agriculture)
Reduced abuse of workers	• Modest effect as many of the most vulnerable workers will remain outside the scope of the Directive
Workers having better reconciliation between work and family life	• Modest effect as many of the most vulnerable workers will remain outside the scope of the Directive
More predicable working hours through conversion of on-call jobs into minimum hour contracts	• Modest effect as many of the most vulnerable workers will remain outside the scope of the Directive
Less abuse of probation periods	• Some reduction in abuse of probation periods, as most workers will have information about the duration and conditions of probation period • 32.4 m employees (IE, UK) will continue to have no right to a maximum probation period • 6.8 m employees (21% of employees in IE, UK) will continue to have probationary periods with no maximum duration • Continuation of abuses linked to lack of statutory maximum probation period (IE, UK) • 163 m employees will continue to have statutory maximum probation period >3 months (AT, BG, CY, CZ, DE, EE, EL, ES, FI, FR, HR, HU, IT, LU, MT, NL, PT, RO, SE, SI SK)
Increased ability of workers to gain redress	• Modest effect as many of the most vulnerable workers will remain outside the scope of the Directive
Improved conditions of transnational working and greater mobility	• More harmonised information requirements across the EU • Increase in workers written information will help them to move between employers and have their work recognised • Minimal benefit for atypical workers that remain outside the scope of the Directive

	Overall impact on public finances
Increased tax revenues from change in number of hours worked	• Modest effect as many casual workers that are subject to exclusivity clauses will remain outside the scope of the Directive (and thus remain unable to get a second job with another employer)

	Overall impact on public finances
Reduction in social security from change in employment or hours worked	• Modest effect as many casual workers that are subject to exclusivity clauses will remain outside the scope of the Directive (and thus remain unable to get a second job with another employer) • Increase in legitimate social security claims due to better employee awareness via strengthened information package
Cost of enforcement & support for employers	• No change
Cost of transposition	• EUR 57 000

	Overall impact on competitiveness and productivity
Significance of administrative costs to overall labour costs	• Increase in compliance and administrative costs is negligible compared to total labour costs • Most employers do not find any particular aspect of the current Directive to be particularly burdensome at all
Number or % of employers likely to experience an increase / decrease in competitiveness (taking into account reduction in unfair competition, loss of flexibility, etc.)	• More than 80% of employers will continue to suffer from 'unfair competition,' as they already provide written statements for employees working <8 hours per week, employees with contracts of less than one month's duration, on-demand workers and intermittent workers
Number or % of employers likely to experience an increase in staff retention, loyalty and productivity plus a reduction in legal costs, court cases, etc.	• Some modest effects as workers receive more information and within a shorter deadline • Overall, limited, as many atypical workers remain outside the scope of the Directive

	Overall impact on application and enforcement
Extent to which options have already been adopted	• Option 1 (8 hours per week): already adopted in 23 Member States • Option 1 (<1 month): already adopted in 13 Member States • Option 2 (information on probation period): already adopted in 21 Member States • Option 2 (information on social security system): already adopted in 7 Member States • Option 2 (information on probation period): already adopted in 4 Member States • Option 2 (information on probation period): already adopted in 9 Member States • Option 4 (1-month deadline): already adopted in 23 Member States (or shorter) • Option 4 (15 days deadline): already adopted in 15 Member States (or shorter) • Option 4 (1st day deadline): already adopted in 10 Member States (or shorter) • Option 4 (before contract formed): already adopted in 7 Member States (or shorter)
Strengthening enforcement and ease of modifying or strengthening means of redress and sanctions	• No increase in number of workers receiving right to information • Many atypical workers not receiving any benefit • For workers already covered, receiving more information + earlier which is essential to gaining justice • For workers already covered, some contribution due to more accessible redress mechanisms, stronger legal basis for complaints, increased court cases due to the stronger

	Overall impact on application and enforcement
	position of employees • Slight increase in number of employees using dispute resolution to seek redress for violations as a non-judicial dispute resolution is less damaging for employment relations

	Overall impact on fundamental rights
Confirmation that no fundamental rights will be impinged (e.g. right to operate a business)	• Confirmed: no change to the current situation (REFIT study found no obvious discrepancies between the Directive and the Charter of Fundamental Rights of the EU)
Contribution to equality between men and women	• No significant contribution, as workers remaining outside the scope of the Directive are more likely to be female (<8 hours per week, casual, etc.)
Contribution to freedom to choose an occupation and right to engage in work	• Slight contribution to converting undeclared work and thus individual's right to engage in legal employment
Contribution to right to effective remedy	• Some contribution due to more accessible redress mechanisms, stronger legal basis for complaints, increased court cases due to the stronger position of employees • Some increase in number of employees using dispute resolution to seek redress for violations as a non-judicial dispute resolution is less damaging for employment relations
Contribution to solidarity (protection from unfair dismissal, fair and just working conditions, family and professional life)	• Some contribution as employees already covered will have better understanding of basic working conditions & rights at work; clarity in employment relationship; better protection against possible infringements of rights; better access to social security protection through having proof of employment
Access to justice	• Slight contribution as workers already covered will be better informed.

Source: Own CSES PPMI research.

6.5. Overall impacts: Scenario E (repeal of the Directive)

This scenario features the repeal of the Directive.

The impacts in the short to medium term would depend on whether Member States choose to repeal or revise relevant legislation. In the long term, it can be expected that the legislative frameworks of the 28 Member States will tend to diverge. The main impacts will be:

- **Direct effects for workers**: All workers currently covered by the Directive would lose EU protection of right to receive a written statement. The extent, nature and timing of information provision would depend entirely on legislative choices made at national level and/or employers' discretion.

- **Direct effects for employers**: No cost saving unless Member States choose to repeal or revise relevant legislation. Where they do, employers would make a modest cost saving if they choose to stop providing written statements – though most are likely to continue providing them, as they value the benefits and consider the administrative cost to be a 'business-as-usual' cost.

- **Impact on the labour market**: Where Member States choose to repeal or revise relevant legislation, employers' recruitment decisions unlikely to be substantially affected. Casual workers currently subject to exclusivity clauses would continue to be prevented from taking a second job with another employer and those employers would not enjoy access to such labour. Over time, as Member State legislation diverges, there would be adverse effects on labour market transparency and mobility of labour across the EU.

- **Impact on working conditions**: current positive benefits would be put at risk if Member States choose to repeal relevant legislation. Where they do, employees would risk suffering adverse effects, including poorer understanding of their rights, weaker knowledge of the essential elements of the employment relationship, weaker protection against possible infringement of their rights, poorer access to social security, abuse of probation periods, etc. If Member States choose to enhance worker protections in law, this might improve working conditions. Risk of less harmonised working conditions across the EU, as Member State legislation diverges.

- **Impact on public finances**: depending on choices of Member States, risk of lost opportunities to benefit from increased tax revenues, reduced social security payments arising from on-demand/zero-hours contract workers taking second jobs and reduced tax revenue from increased prevalence of undeclared work. Possible savings where Member States choose to downgrade enforcement, redress and sanction mechanisms.

- **Impact on competitiveness and productivity**: where Member States weaken current protections, employers might face unfair competition from other employers with lower standards. Where employers choose not to provide written statements, they would face the risk of reduced workforce retention and loyalty, etc.

- **Impact on application and enforcement**: not relevant.

- **Impact on fundamental rights**: Depending on the choices of Member States, there may be increased risks of adverse effects on equality between men and women (e.g. poor working conditions of women), on the right to engage in work (on-demand/zero-hours workers remaining subject to exclusivity clauses), right to effective remedy/access to justice (loss of written statement as a tool to support cases brought by workers) and solidarity (weaker protection from unfair dismissal, fair and just working conditions, family and professional life).

6.6. Impacts on SMEs (Scenario C)

Overall, the evidence suggests that SMEs are no more likely than large enterprises to use atypical employment contracts. Where SMEs do use such contracts, the costs and burdens associated with Scenario C might be proportionately higher than for large enterprises. However, some of the costs are not expected to be particularly significant. Morevoer, some SMEs are also likely to benefit. The next two sub-sections summarise the evidence.

6.6.1. Use of atypical contracts by SMEs

Some of the main sources of labour market statisics offer very limited evidence regarding use of atypical employment contracts by enterprises of different size. For example, the Labour Force Survey provides data on certain forms of employment (temporary work, self-employed without employees, family workers) but is not broken down by company size. The EU Structure of Earnings Survey provides information on fixed-term and temporary agency workers and part-time workers in EU enterprises – no disaggregation by size of company is available. However, some evidence is available from the employer survey undertaken for this study.

The employer survey included questions on work organisation, asking whether the firm strongly relies on employees with different type of atypical forms of employment. The responses to **the survey provided no evidence to suggest that SMEs are more likely than large enterprises to use atypical forms of employment contract**. For example, SMEs comprise 99.8% of all companies in EU-28 but:

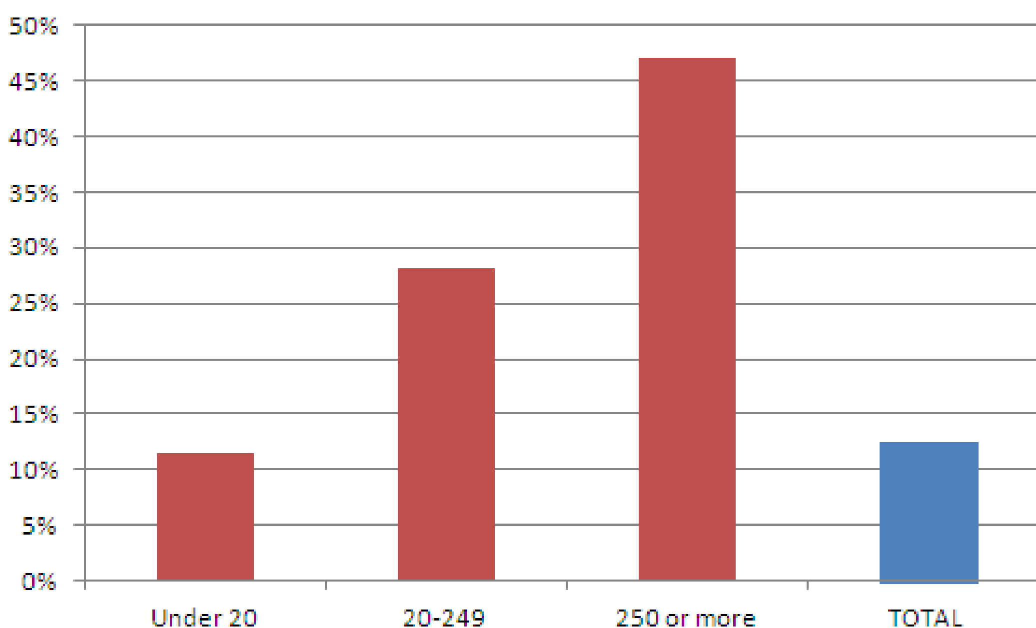
- Of those companies reporting that they strongly rely on employees working less than 8 hours per week, only 75% were SMEs;
- Of those companies reporting that they strongly rely on employees working less than one month, only 80% were SMEs;
- Of those companies reporting that they strongly rely on employees on-demand, only 70% were SMEs;
- the percentage of SMEs and large enterprises reporting that they rely on employees working less than 8 hours per week or on workers on demand was very similar.

A previous study in the UK offers more robust evidence in the form of a report based on the Office for National Statistics Business Survey. The survey found that **large firms are more likely than SMES to use workers with non-guaranteed hours contracts (NGHCs)**:

- Around 1.4m employees have NGHCs;
- 47% of large firms (250 or more employees) use NGHCs;
- 28% of medium-sized firms (20-249 employees) use NGHCs;
- 12% firms with <20 employees use NGHCs;
- 13% of all firms use NGHCs;

- when firms with <250 employees use NGHCs, they have a larger proportion of their workforce on NGHCs compared to larger businesses.[170]

Figure 24 Proportion of UK businesses using NGHCs by number of employees



Source: UK Office for National Statistics.

6.6.2. Costs and burdens for SMEs

The REFIT study reports that the costs to comply with the provisions of the current Directive were not perceived by SMEs or large firms to be burdensome and were mostly considered to be business-as-usual costs. Most SMEs already report that they would provide the same level of information and thus incur associated costs even in the absence of any minimum requirements: between 61% and 72% of survey respondents replied that in the absence of minimum requirements the organisation would still provide the required level of information on the employees.[171]

This result is supported by the employer survey carried out during this study. Evidence collected shows that **most SMEs already provide the required employment information for atypical workers**. The main results of the employer survey are provided below.

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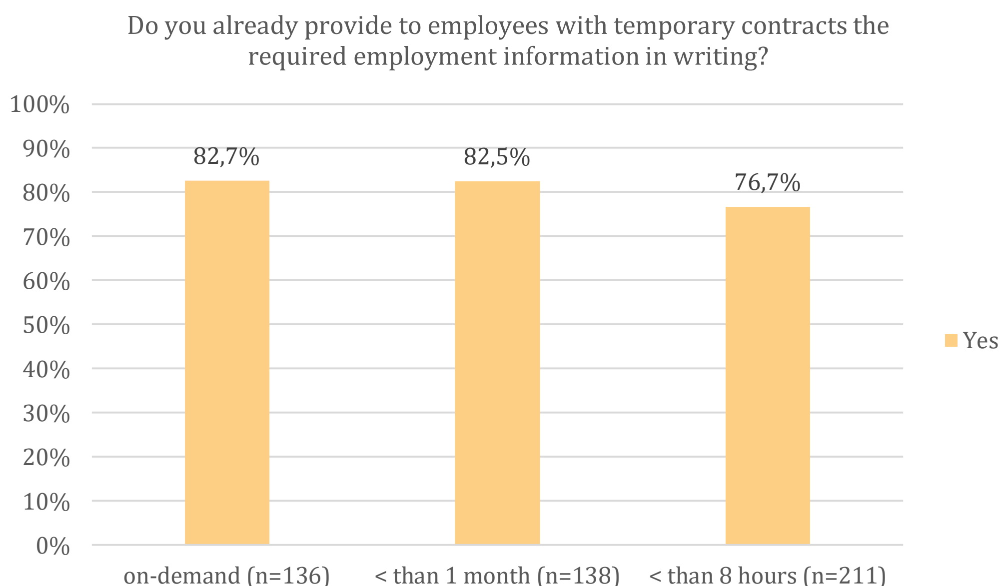
[170] Office for National Statistics (2014), Analysis of Employee Contracts that do not Guarantee a Minimum Number of Hours.
[171] REFIT Study to support evaluation of the Written Statement Directive (91/533/EEC) – Final Report.

Figure 25Respondents providing employees with temporary contracts the required employment information in writing (%)



Source: Own CSES PPMI research.

Research for this study(including the survey of employers) and previous studies have offered limited evidence of any difference in the costs that would likely arise from SMEs compared to large enterprises in respect of the basic rights covered in Option 5 (reference hours, mimum advance notice period, prohibition of exclusivity clauses, maximum probation period).

In the survey of employers, there was little difference in the responses of SMEs and those of large enterprises regarding the costs likely to arise from the provision of these rights. Moreover, since SMEs are less likely than large enterprises, it can be assumed that there will be no disproportionate impact on SMEs. However, some SMES may be adversely affected, even if they constitute a small proportion of SMEs, i.e. those that are heavily reliant on atypical forms of employment. The previous study in the UK referred to above suggested that the small proportion of firms with <250 employees using NGHCs have a larger proportion of their workforce on NGHCs compared to larger businesses.[172] Clearly, those firms – although few in number – might be adversely affected. At the same time, as some stakeholders have pointed out, there may be a case for discouraging business models that are heavily reliant on atypical forms of employment, if those arrangements constitute an unfair form of competition and/or poor working conditions.

Annex 9 provides estimates of the direct financial costs that would occur for SMEs and and large enterprises (as well as the methods for calculating such costs). Although the unit costs of providing written statements for SMEs are higher than for large enterprises, such costs remain very small in proportion to total labour costs. Indeed, the REFIT study concluded that there was little evidence that a disproportionate burden was being placed

[172] Office for National Statistics (2014), Analysis of Employee Contracts that do not Guarantee a Minimum Number of Hours.

on small businesses.[173] According to REFIT, most SMEs and micro-enterprises reported that they would provide the same level of information and thus incur associated costs even in the absence of any minimum requirements. Only 10% would not provide the existing level of information to employees if not required by law.[174]

6.7. Risks of unintended effects (Scenario C)

Regarding the risk of disincentives to recruit, it is possible that some employers might choose either to recruit fewer workers newly covered by the Directive or to replace such workers with others that remain outside the scope of the Directive. However, it is unlikely that the extension of the Directive to more workers will generate significant substitution effects. As noted above, more than 80% of employers already provide written statements for employees working less than 8 hours per week, employees with contracts of less than one month's duration, on-demand workers and intermittent workers. It is reasonable to assume that those employers will not adjust their workforce in light of this revision to the Directive. Moreover, the minority of employers (<20%) not yet providing written statements for these types of workers will face limited opportunities to replace workers newly covered by the Directive, since the number of workers not covered by the Directive will be significantly reduced. In addition, evidence from the REFIT study demonstrates that employers do not consider the requirement to provide a written statement to be burdensome.

Regarding the provision of new basic rights for casual workers, employers were asked whether they would recruit fewer workers newly covered by the Directive or toreplace such workers with others that remain outside the scope of the Directive. Their responses suggested no clear pattern. But employers were more likely to convert casual work contracts into standard forms of employment than to replace casual contracts with informal agreements or self-employment contracts. This reinforces the finding that few (law-abiding) employers will replace workers newly covered by the Directive with other workers not covered by the Directive, simply because of the requirement to provide a written statement.

Regarding the provision of a right to reference hours or minimum advance notice periods, there would be the risk that employers are unable to gain agreement from workers to accept work offered outside reference hours or at short notice. In these cases, the employer might incur costs and/or lose custom and thus revenues. Some employers may need to take steps to minimise this risk either by using on-call arrangements for other employees (e.g. on standard contracts) or by maintaining a larger pool of casual workers, i.e. to increase the possibility that sufficient workers will agree to accept the work offered. Clearly, the need to take such steps might impose additional costs or administrative burdens on some employers, although such costs will vary from employer to employer.

There would be a risk that employers would state very broad reference hours, which would hinder the ability of the worker to access other work or to fulfil care obligations. Similarly, an employer could specify a very short minimum advance notice period. Clearly,

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[173] REFIT, section 5.4.6.

[174] REFIT, section 5.4.2.

the risk of creating such loopholes would have to be minimised by definitions of what is reasonable or by associated guidance.

Regarding the prohibition of exclusivity clauses, workers that take a second job will sometimes be unavailable to the first employer when needed. As noted, evidence from the UK suggests that around 6% of zero-hours contract workers that are subject to exclusivity clauses would take up a second job, if allowed. Of these, around 20% might then be unavailable to their main employer (when required) for about 4 hours per week. The cost of this disruption will vary from employer to employer. Previous studies have estimated that the upper bound of such reorganisation costs is 14% of total labour costs. While this unintended effect poses a cost on employers, such costs are outweighed by the benefits to other employers.

Regarding the right to request a new form of employment, there is the risk that i) employee expectations will be unrealistically raised; and ii) employees will become demoralised and demotivated by a refusal from their employer, particularly if the request is refused on more than one occasion. At the same time, a refusal in writing (including the justification) might prove more satisfying to the employee than a verbal refusal with no justification. Clearly, such effects will vary from employer to employer and from employee to employee and it is impossible to know what the net effect would be.

Regarding the right to a maximum probation period, there is the risk that employers might be required to retain employees whose contracts they would otherwise have terminated. This will include both ‘fair’ terminations (e.g. based on poor performance) and ‘unfair’ terminations (made for other reasons). However, the survey suggests high acceptance of employers about the need to specify a maximum duration of probation periods:

- More than three quarters of employers responding to the survey believe that it is appropriate to specify a maximum probation period.
- Fewer than one in five believe that the maximum length should not be defined in legislation.
- Of those accepting the need for this reform, the median suggested length of maximum probation period is no more than three months.

Another unintended effect of maximum probation periods would be the risk that employers use temporary or fixed-term contracts to circumvent probation periods. Previous research has provided evidence on the extent to which this might occur based on examples from two Member States.[175] In Germany, fixed-term contracts are often used as extended probationary periods, given the high level of employment protection in Germany. This has been found to particularly occur in times of economic uncertainty and allows German employers to lower the barriers to hiring new employees. However, the risk of probation periods being used in this way should not be overstated; in 2021, 39% of all fixed-term contracts in Germany were converted into permanent positions (up from 30% in 2009). Similarly, in Spain, the Law 3/2012 of 6 July 2012 on urgent measures for labour market reform created a new type of contract featuring a probationary period of 12 months, during which time the employee has no legal protection against dismissal. A

[175] European Parliament (2016), Precarious Employment in Europe: Patterns, Trends and Policy Strategies.

report for the Spanish government found that such contracts are not systematically terminated once the first year is over; despite the long probationary period, such contracts are just as likely as permanent contracts to endure beyond the first 12-months

The evidence suggests little risk of regression, e.g. in terms of convergence towards a 6-month probationary period. Among employers using a probation period, the survey suggests that the median length is no more than 3 months, even though some countries covered by the survey allow more, such as Germany (6 months). Of the five countries covered by the survey, only the UK does not currently specify a maximum probationary period; here, the median length was also 3 months.

With voucher work, there may be the risk either of increasing the administrative burden on employers or creating disincentives to use vouchers. Where voucher schemes do not feature an intermediary organisation that employs the worker, there may be uncertainty as to whether the end-customer is or is not an employer. Many users, being unwilling to take on the responsibilities associated with being an employer, may simply choose not to use vouchers. Some employers of voucher workers, e.g. in the agricultural sector, may choose to revert to undeclared work rather than accept the administrative burden associated with providing a written statement and or the obligations to provide reference hours, minimum advance notice period, etc. Specific provisions may thus need to be made to ensure that a revision of the legislation does not disincentivise voucher schemes that have proved effective in bringing undeclared work into the formal economy.

7. COMPARISON OF POLICY OPTIONS

In this section, we complete the impact assessment through multi-criteria analysis of the possible scenarios, in a way that is consistent with the Better Regulation Guidelines (Tool #63). The results of the multi-criteria analysis are presented in a performance matrix comparing the options against the various criteria. Given the diversity of impacts, we use a simple form of grading using qualitative values reflecting performance (i.e., +++, ++, +, 0, -, --, ---). The grading has required a balanced assessment of the different impacts, but the underlying analysis supports the judgments made.

The criteria will be the overall impacts listed in the previous section.

As agreed with DG EMPL, weights have not been used to provide overall scores for different scenarios. Instead, we simply present the relative scores of each scenario, thus allowing DG EMPL to make its own choice as to the preferred scenario.

In the table below, we present again the scenarios. The two revision scenarios (B, C) and the repeal scenario (D) are presented with reference to the baseline scenario (A).

Scenarios
A. Baseline (no change)
B. Extended scope and strengthened requirements (Options 1, 2, 3, 4)
C. Extended scope and strengthened requirements and minimum rights (Options 1, 2, 3, 4, 5)
D. Repeal of the Directive

The table below presents the results of the multi-criteria analysis.

By definition, the effects of the baseline scenario must be 0.

It should be noted that the repeal scenario features considerable uncertainty, since it is entirely reliant on the choices of Member States regarding their own revisions of national legislation. However, it is assumed that there will be a gradual divergence in requirements between Member States.

Table 89 Comparison of policy options and scenarios

	A (Baseline)	B (Options 1, 2, 3, 4)	C (Options 1, 2, 3, 4, 5)	D (Repeal)
Labour market impact	0	+	++	--
Effect on working conditions	0	++	+++	-
Effect on public finances	0	+	++	0
Competitiveness & productivity	0	++	++	-
Ease of application & enforcement	0	+++	+++	-
Fundamental rights	0	++	+++	--

Legend: Labour market impact	
+++	All casual workers have the right to get a second job with another employer (if they wish and if such work is available) AND: negligible displacement of workers covered by the Directive by workers not covered
++	A majority of casual workers have the right to get a second job with another employer (if they wish and if such work is available) AND: negligible displacement of workers covered by the Directive by workers not covered
+	A minority of casual workers have the right to get a second job with another employer (if they wish and if such work is available) AND: negligible displacement of workers covered by the Directive by workers not covered
0	No increase in the proportion of casual workers have the right to get a second job with another employer AND: negligible displacement of workers covered by the Directive by workers not covered
-	A minority of employers of casual workers have the right to include exclusivity clauses in the contracts of casual workers
--	A majority of employers of casual workers have the right to include exclusivity clauses in the contracts of casual workers OR: Non-negligible displacement of workers covered by the Directive by workers not covered
---	All employers of casual workers are entitled to include exclusivity clauses in the contracts of casual workers AND: Non-negligible displacement of workers covered by the Directive by workers not covered

Legend: Effect on working conditions	
+++	Majority of workers not yet covered are brought into the scope of the Directive AND: Majority of casual workers enjoy improved basic rights AND: All workers covered have right to more information

Legend: Effect on working conditions	
++	EITHER: Majority of workers not yet covered are brought into the scope of the Directive OR: Majority of casual workers enjoy improved basic rights AND: All workers covered have right to more information
+	EITHER: Minority of workers not yet covered are brought into the scope of the Directive OR: Minority of casual workers enjoy improved basic rights AND: All workers covered have right to more information
0	Zero net effect
-	EITHER: A minority of workers currently covered are removed from the scope of the Directive OR: Ability of a minority of workers to enforce rights or right to receive information is weakened
--	EITHER: Majority of workers currently covered are removed from the scope of the Directive OR: Ability of majority of workers to enforce rights or right to receive information is weakened
---	Majority of workers currently covered are removed from the scope of the Directive AND: Ability of majority of workers to enforce rights or right to receive information is weakened

Legend: effect on public finances	
+++	Increase in tax revenues/savings likely to greatly exceed cost of transposition, enforcement, etc.
++	Increase in tax revenues/savings likely to slightly exceed cost of transposition, enforcement, etc.
+	Increases in tax revenues/savings in social security are likely to offset cost of transposition, enforcement, etc.
0	No increase in tax revenues
-	Slight loss of tax revenues
--	Substantial reduction in tax revenues
---	Excessive reduction in tax revenues

Legend: competitiveness and productivity	
+++	Majority of affected employers likely to enjoy increased in staff loyalty/retention or workforce productivity, no adjustment costs and administrative costs are “business-as-usual”
++	AND: Increase in revenues of ‘second’ employers of casual workers exceeds reorganisation costs of ‘first’ employers due to non-availability of such workers
+	Majority of affected employers likely to enjoy increased in staff loyalty/retention or workforce productivity and administrative costs are ‘business-as-usual’
0	OR: Increase in revenues of ‘second’ employers of casual workers exceeds reorganisation costs of ‘first’ employers due to non-availability of such workers
-	Minority of affected employers likely to enjoy increased in staff loyalty/retention or workforce productivity and administrative costs are “business-as-usual”
--	AND: No change in revenues of ‘second’ employers of casual workers and no change in reorganisation costs of ‘first’ employers due to non-availability of such workers

Legend: competitiveness and productivity	
---	Limited effect on staff loyalty/retention or workforce productivity but administrative costs are business-as-usual

Legend: application and enforcement	
+++	Ability of Member States to enforce workers' rights is considerably strengthened
++	AND: Costs of transposition, enforcement, etc. are not substantial for Member States
+	Ability of Member States to enforce workers' rights is considerably strengthened
0	OR: Costs of transposition, enforcement, etc. are not substantial for Member States
-	Ability of Member States to enforce workers' rights is slightly strengthened
--	No difference in ability of Member States to enforce workers' rights
---	Costs of transposition, enforcement, etc. are not substantial for Member States

Legend: fundamental rights	
+++	Revision of the Directive considerably strengthens support for fundamental rights for a majority of workers
++	Revision of the Directive considerably strengthens support for fundamental rights for a minority of workers
+	Revision of the Directive slightly supports fundamental rights for a minority of workers
0	No impact
-	Revision of the Directive slightly weakens current support for fundamental rights
--	Revision of the Directive considerably weakens current support for fundamental rights
---	Revision of the Directive infringes fundamental rights

8. MONITORING & EVALUATION INDICATORS

The following indicators could be used in the future monitoring and evaluation of any revised Directive. The main sources of evidence would include surveys of employers and/or employees.

Suggested indicators for a revised Directive
• Increase in number and % of workers newly covered by the Directive • Total number and % of workers covered by the Directive • Number and % of workers not covered by the Directive • Increase in number and % of workers newly receiving a stronger information package • Total number and % of workers receiving a stronger information package • Increase in number and % of workers receiving a written statement on or before their first day of employment • Total number and % of workers receiving a written statement on or before their first day of employment • Number of on-call/zero-hours contract workers taking up a 2nd job since the prohibition of exclusivity clauses • Increased number of hours worked by on-call/zero-hours contract workers taking up a 2nd job since the prohibition of exclusivity clauses • Increased incomes of on-call/zero-hours contract workers taking up a 2nd job since the prohibition of exclusivity clauses • Increased tax revenues from on-call/zero-hours contract workers taking up a 2nd job since the prohibition of exclusivity clauses • Number and % of casual workers having the right to reference hours and minimum advance notice period • Number and % of non-standard workers requesting a new form of employment • Number and % of non-standard workers having a request granted for a new form of employment • Number and % of workers with undefined probationary periods • Median length of probation periods

9. Annex 1 Worker coverage under the Directive

Table 90 Summary of different worker categories coverage by the Directive

Country	Who are covered by the WSD?	Comments
Austria	All workers with an employment relationship, including those working less than 8 hours per week, domestic workers, casual workers and temporary agency workers.	Furthermore, zero-hours contracts are banned, as is platform-based work, meaning that many types of atypical work which are on the rise in other European countries do not exist here. People working less than one month are not covered and paid trainees are in principle also not covered, unless they have an employment contract.
Belgium	All standard employees and atypical workers.	The Act of 3 July 1978 on Employment Contracts allows oral employment contracts. Only specific regulations for atypical workers demand written statements. However, lots of information including the average working time and working hours are always laid down in the 'arbeidsreglement' (internal company rules), which has to be available for the workers. Also, the legislation on social documents demands that the information covered by the WSD is given to (all) employees.
Bulgaria	All workers with an employment relationship.	Bulgarian law does not distinguish between rights for different types of employees, as long as they have an employment contract. Therefore, people working less than 8 hours per week or less than 1 month are generally covered by the WSD. For other types of workers, this depends on the contract.
Croatia	All workers with an employment relationship.	All workers with employment relationships have the right to a written statement regardless of their casual and atypical work.
Cyprus	Standard employees, domestic workers, paid trainees, platform/crowd workers.	Casual and atypical workers are excluded as employees, if their employment is of a casual and/or specific nature provided that its non-application is justified by objective considerations. In Cyprus, national legislation does not require employers to provide a written statement for casual and atypical workers. People working less than 8 hours per week or less than 1 month are also excluded.
Czech Rep	All workers with an employment relationship, except people working less than one month.	Generally, those atypical forms of work which are carried out based on an employment relationship (working less than 8 h/week, employment relationship lasting less than 1 month) are covered by the labour code and with the exception of employment relationships lasting less than 1 month also by the WSD. The Labour Code and the WSD do not apply in those cases where the work is performed as self-employment (usually domestic work, platform work etc.). When the activities are carried out based on agreements on work performed outside an employment relationship, i.e. in the case of casual

Country	Who are covered by the WSD?	Comments
		workers, the relevant workers are covered by the labour code and have to be provided with a written agreement; however, they are excluded from the application of the WSD so the scope of obligatory information is not as large as in the case of workers in a standard employment relationship. Paid trainees are not covered by the labour law and therefore also not by the WSD – they perform work as a part of their curricula. Voucher-based work is not established in the Czech Republic.
Denmark	Standard employees, paid trainees, casual workers, temporary workers, paid trainees.	A report from the employers' organisation DA states that Agency workers are covered in terms of their rights in the same way as other employees. Self-employed people and on-call on zero-hour contracts ('Tilkaldevikarer') are the only categories of employees that are not covered.
Estonia	All employees with an employment contract.	Estonian labour law provides for rules on four types of new/flexible form of work: fixed-term work, part-time work, telework and temporary agency work. Under Estonian law, it is obligatory to apply the requirements of the Directive with regard to all employees who work on the basis of these forms of work. Intermittent workers receive the WS if they have an employment contract. Zero-hours and on-demand workers do not exist.
Finland	Standard employees, people working less than 8-hours, domestic workers, casual workers, platform/crowd workers and voucher-based workers.	The Employment Contracts Act requires a written statement for fixed-term workers only if the contract is longer than one month. At present, the law does not recognise zero-hours contracts.
France	All workers who are considered an 'employee.'	This includes intermittent workers, on-call workers, domestic workers, paid trainees, voucher workers, people working less than 8 hours and people working less than 1 month. Platform/crowd workers are excluded.
Germany	All employees, except those working less than one month.	Nearly all employees – beside the very small group of employees working less than one month in a company – are covered. The dividing line in Germany is between employees and self-employed and not between different forms of work. Zero-hours contracts do not exist in Germany.
Greece	All employees and workers, except those working less than one month and platform workers who are independent contractors.	Platform workers and other types of workers will be covered by WSD only if they are in a dependent employment relationship and their contract, in its total, is for at least one month (Art. 1, Para. 3 of the Presidential Decree 156/1994).
Hungary	All atypical workers, except voucher workers and platform workers.	There are no special provisions of the Hungarian labour code on written statement for casual and atypical workers. The current national rules regarding the documentation of employment relationships for trainees is contained in the Act on National Higher Education, which provides for specific situations

Country	Who are covered by the WSD?	Comments
		when an intern is considered as having an employment relationship and, thus, falling within the scope of application of the labour code (and the information obligation). Zero-hours contracts are not allowed under the national legislation, but on-call contracts are. The latter are also subject to the information obligation. On-call work is regulated in the labour code and is covered by the employer's obligation to provide information in writing.
Ireland	All employees, including those working less than 8 hours per week, but excluding those working less than 1 month.	Whether or not the legislation applies depends on whether the worker can be classified as an 'employee' under Irish law. This is especially relevant for domestic workers, casual workers, paid trainees, platform/crowd workers and if-and-when workers. Whether they are covered or not depends on their contract.
Italy	All employees and workers, except those who work less than 8 hours AND less than 1 month. Casual workers are covered if they have an employment contract.	Overall, the right to receive a written statement applies to ALL employees having an employment relationship (with both private and public employers). Employees whose employment lasts for less than one month and whose working time is less than 8 hours per week are excluded. Both conditions must be met in order to be excluded from the Directive. Vouchers have recently been banned. Previously, employers where not obliged to provide a written statement to voucher-based workers (an online request was sufficient).
Latvia	All workers with an employment relationship.	All workers under Latvian law are covered by an obligation to provide a written employment contract with exact hours of work. The atypical workers have equal rights with other employees with regard to the obligation to conclude a written employment contract before the commencement of work and with regard to the particular information the written agreement has to provide. Casual workers, platform/crowd workers, voucher-based workers are not regulated by the law, thus such types of employment are legally impossible. On-call/zero-hours employment is in principle prohibited since an employment contract must stipulate particular working time.
Lithuania	All workers with an employment contract, including those working less than 8 hours per week as well as domestic workers and paid trainees.	All workers under Lithuanian law are covered by the WSD. The recent legislation has foreseen an exception only for people whose employment relationship lasts under 1 month. Self-employed people are not covered by the WSD. Expatriate workers are only partly covered as they do not receive all the information as listed in the WSD.
Luxembourg	All workers with an employment, including those working less than 8 hours a week or less than 1 month and paid trainees.	Labour law provisions apply equally to all employees, regardless of whether they are subject to flexibility measures (such as part-time employees, fixed-term employment contracts, etc.). However, many new types of work do not exist in Luxembourg, such as voucher workers and platform

Country	Who are covered by the WSD?	Comments
		workers.
Malta	All workers with an employment, excluding those working less than 8 hours a week or less than 1 month.	The underlying principle is that if an individual is deemed to be an employee, then there is a right to a written statement. Domestic workers and paid trainees are considered employees and therefore covered by the WSD. Casual workers are not covered as they are usually not employees according to Maltese law.
Netherlands	All standard and atypical workers. For platform workers, it depends on the employment relationship. Domestic workers are excluded.	The national legislation implementing the Directive covers both regular employees –with an open-ended full-time contract- and other types of casual and atypical workers, including part-time workers, temporary workers, on-call workers and paid trainees.
Poland	All workers with a legal employee status, including people working less than 8 hours per week or less than 1 month, as well as domestic workers and paid trainees.	The provisions in the Polish labour code (including the written statement) cover all types of employees including casual and atypical if they have the legal status of an employee under Article 2 of the Code. However, the definition of an employee mentioned in Article 2 of the Polish Labour Code is much narrower than the definition in EU law and the concept of worker under Article 45 TFEU provided by the Court of Justice.
Portugal	All employees.	Including domestic workers, paid trainees, intermittent workers, people working less than 8 hours or less than 1 month.
Romania	All employees with an employment contract, paid trainees with such a contract, domestic workers, people working less than 8 hours per week, people working less than 1 month, casual workers (to a certain extent).	With respect to one-day workers, such workers are not considered 'employees,' their work relationship is regulated by a special law and falls under the provisions of the civil legislation and they are not protected by the labour legislation. Paid trainees have the right to be provided with information by their employer if they are employees with an employment contract. Otherwise, if they benefit from a scholarship grant or they act on grounds of an internship arrangement signed with an educational institution, according to their education curriculum, such right is not applicable.
Slovakia	All workers with an employment relationship, except those with a contract for less than one month.	Trainees do not perform their obligations within any employment relationship. Therefore, they cannot be considered as being employees and thus the obligation to be given a written statement in line with the labour code does not apply. However, trainees in a dual education system perform their training with an employer as employees under labour contract and are therefore covered.
Slovenia	All workers with an employment contract. (Including people working less than 8 hours and those working less than 1 month, domestic workers and paid trainees).	Every person that concludes an employment contract in accordance with the provisions of the Employment Relationship Act, is provided with the rights stated in the WSD. Some casual and atypical workers do not perform work based on an employment contract (for example: "zero-hours" employment contract cannot be concluded, voucher-based workers do not conclude an employment contract etc.), and are therefore not covered by the ERA-1 and WSD. Regarding the other main types of workers, some are covered (workers posted to work abroad, workers that perform work based on a fixed-term contract), and some are not,

Country	Who are covered by the WSD?	Comments
		because they do not conclude an employment contract (student work, economic dependent).
Spain	All workers, except those working less than 1 month.	Option 1 applies to any employee as long as the employment relationship lasts over 4 weeks. However, in practice, most employees whose employment relationship lasts 4 weeks or less do have a written employment contract, which usually contains most of the information required by Article 2.2 of the WSD. It is important to note that when granting rights Spanish employment law makes few distinctions among workers. Hence, in the majority of situations, it is usually irrelevant whether an employee is full-time or part-time (except for some aspects of working hours), permanent or temporary (except for termination rights), etc.
Sweden	The WSD in Sweden covers all employees, including paid trainees (see comments) and casual workers. People working less than 8 hours or less than 3 weeks are excluded, as well as platform/crowd workers and domestic workers.	Note that the employment groups not covered by the Directive are excluded as they are also excluded from the main legislation – LAS (under which the WSD has been implemented). An extension to these groups would therefore only cover the aspects of the WSD and not any other employment rights. With regard to trainees, there is no statutory definition of "trainee" in Swedish labour law. The question of their rights depends on whether a trainee is considered to be an employee or not. In most situations, a trainee could be considered to be an employee and therefore covered by labour law, including the right to written information.
UK	All standard workers and people working less than 8 hours a week, as well as domestic workers.	In the UK, several types of contracts are excluded from the WSD because they do not fall under the definition of an "employee." Therefore, for casual workers, platform workers and paid trainees, their coverage depends on whether they have an official employment contract or not.

Source: Own CSES PPMI research.

Table 91 The right for domestic workers to receive a written statement

Country	Domestic workers covered?	Comments
Austria	Yes	Austrian law provides for a broad definition of workers and the rights provided to this category are fairly high.
Belgium	Yes	The legislation on social documents demands that the information covered by the WSD is given to (all) the employees, in the individual account.
Bulgaria	Possibly	Only if the domestic worker has an employment contract.
Croatia	Possibly	Only if the domestic worker has an employment contract.
Cyprus	Yes	Employees are not covered by the legislation if their employment does not exceed one month, does not exceed eight hours per week, or whose employment is of a casual and/or specific nature, provided that in these cases their exclusion is justified by objective considerations.
Czech Rep	Possibly	The Labour Code and the WSD do not apply in those cases where the work is performed as self-employment (usually domestic work, platform work etc.). Domestic workers are covered if they are not self-employed and have an employment contract.
Denmark	Possibly.	There is no data available on domestic workers and they are not

Country	Domestic workers covered?	Comments
		specifically mentioned in law. However, Danish law ensures that almost all other types of atypical workers are covered by the WSD, which means that there is a good chance that domestic workers can be covered too.
Estonia	Possibly	Only if domestic worker has an employment contract.
Finland	Yes	The Employment Contracts Act requires a written statement for anyone if the contract is longer than one month.
France	Yes	As long as the domestic worker is an employee. However, in general they are considered employees and are therefore covered.
Germany	Yes	All employees except those working less than one month in a company – are covered.
Greece	Yes	These workers will be covered only if they are in dependent employment and their total contract is for at least one month.
Hungary	No	Domestic workers are outside the scope of the labour code.
Ireland	Possibly	Whether or not the legislation applies depends on whether the worker can be classified as an 'employee' under Irish law. This is especially relevant for domestic workers. Whether they are covered or not depends on their contract.
Italy	Yes	Overall, the right to receive a written statement applies to all employees having an employment relationship (with both private and public employers).
Latvia	Yes	Under Latvian law all workers are covered by an obligation to provide a written employment contract giving the exact hours of work.
Lithuania	Yes	Under Lithuanian law all workers are covered by the WSD. The recent legislation foreseen only one exception, namely people whose employment relationship lasts less than 1 month.
Luxembourg	Yes	The relevant provisions apply to all the employees, regardless of whether they are subject to flexibility measures.
Malta	Yes	Domestic workers are considered employees and therefore covered by the WSD.
Netherlands	No	The only exception made to the scope of the WSD applies to contracts that concern the performance exclusively, or almost exclusively, of domestic or personal services for an individual usually on fewer than four days a week. The employer only needs to provide them with a written or electronic statement of the particulars at the request of the employee.
Poland	Possibly	The provisions in the Polish labour code (including the written statement) cover all types of employees if they have the legal status of an employee. However, the definition of an employee in the Polish labour code is much narrower than the definition in EU law.
Portugal	Yes	All employees are covered.
Romania	Yes	In principle yes, but many domestic workers are undeclared in order to avoid the difficulties of firing such a person when they are employees.
Slovakia	Possibly	Only if the domestic worker has an employment contract.
Slovenia	Possibly	Every person who concludes an employment contract in accordance with the provisions of the Employment Relationship Act is provided with information required in the WSD.
Spain	Yes	Information rights are the same for any employee as long as the employment relationship lasts over 4 weeks.
Sweden	No	Domestic workers are not recognised in Swedish law.
UK	Yes	The Code of Practice for Protecting Persons Employed in Other People's Homes states the entitlement of domestic workers to a written statement.

Source: Own CSES PPMI research.

Table 92 The right for platform workers to receive a written statement

Country	Platform workers covered?	Comments
Austria	No	Platform work is banned.
Belgium	Yes	They are not explicitly recognised in Belgian law, so normal employment rules apply.
Bulgaria	Possibly	Only if the platform worker has an employment contract.
Croatia	Possibly	Only if the platform worker has an employment contract.
Cyprus	Yes	Employees are not covered by the legislation if their employment does not exceed one month, does not exceed eight hours per week, or whose employment is of casual and/or specific nature, provided that in these cases their exclusion is justified by objective considerations.
Czech Rep	Possibly	The Labour Code and the WSD do not apply in those cases where the work is performed as self-employment (usually domestic work, platform work etc.). Therefore, it depends on the relationship of the platform worker with the platform.
Denmark	Possibly.	The Labour Code and the WSD do not apply in those cases where the work is performed as self-employment (usually domestic work, platform work etc.). Therefore, it depends on the relationship of the platform worker with the platform.
Estonia	Possibly	Only if the platform worker has an employment contract.
Finland	Yes	The Employment Contracts Act requires a written statement for anyone if the contract is longer than one month.
France	No	Platform/crowd workers are excluded from the scope of the French labour code.
Germany	Yes	All employees – except those working less than one month in a company – are covered.
Greece	Possibly	Platform workers will be covered only if they have a dependent employment relationship and their total contract is for at least one month.
Hungary	No	Platform work is outside the scope of the labour code.
Ireland	Possibly	Whether or not the legislation applies depends on whether the worker can be classified as an 'employee' under Irish law. This is especially relevant for platform/crowd workers. Whether they are covered or not depends on their contract.
Italy	Possibly	Only if the platform worker has an employment contract.
Latvia	No	Platform work is not regulated in Latvia.
Lithuania	Possibly	The Labour Code and the WSD do not apply in those cases where the work is performed as self-employment (usually domestic work, platform work etc.). This is mainly the case with platform workers in Lithuania.
Luxembourg	No	Do not exist in Luxembourg.
Malta	Possibly	The underlying principle is that if the individual is deemed to be an employee, then there is a right to a written statement.
Netherlands	Possibly	It is still uncertain if the scope of the national law covers platform work/crowd work. In the cases that the platform workers are considered 'employees,' the obligation to provide a written statement applies. The main problem in these new forms of work is to identify who is the employer. In some cases, there is no direct relationship between the client and the worker. Then, the worker executes the task and is paid by the platform. In these cases, an employment contract can be implied. In other cases, the platform acts more as a facilitator of the relationship between clients and service providers. Contracting in the sharing economy/gig-economy is often described 'as transactions between peers' and therefore, difficulties arise in applying labour law rules to those contracts.
Poland	No	These types of workers are not regulated in Poland and are therefore most likely excluded from the labour code, especially since the Polish legal definition of 'employee' is narrower than the EU one.

Country	Platform workers covered?	Comments
Portugal	Possibly	In principle, all employees are covered by the WSD. However, platform workers are not regulated in Portuguese law and therefore their right depends on their type of contract.
Romania	Possibly	Since the Romanian labour legislation does not provide for many employment relationships where working time is very flexible (no on-call, no zero-hours, no platform/crowd workers covered), the parties may continue to use mainly the classic employment arrangements.
Slovakia	Possibly	Platform work is not covered by the labour cade of Slovakia. Therefore, coverage depends on the type of employment relationship.
Slovenia	No	Platform work is not covered by Slovenian labour law and there is no data available on its existence.
Spain	Yes	The WSD applies to any employee as long as the employment relationship lasts over 4 weeks.
Sweden	No	Platform workers do not exist in Swedish law and are therefore excluded from the scope of the WSD.
UK	No	Most individuals engaging in this type of employment are classified as workers, therefore their rights are not protected under current legislation.

Source: Own CSES PPMI research.

Table 93 The right for voucher workers to receive a written statement

Country	Voucher workers covered?	Comments
Austria	No	Voucher work is arranged through a special act and can only be used for domestic work. The employee receives certain benefits but is, however, not covered by labour law.
Belgium	Yes	It is a normal employment contract, regulated by the Employment agreements act of 3 July 1978.
Bulgaria	No	Bulgarian ministry is working on a regulation to introduce this type of labour, but currently they are not regulated.
Croatia	Yes.	There is a regulation on voucher-based work in agriculture.
Cyprus	No	Atypical workers are excluded as employees, if their employment is of a casual and/or specific nature provided that its non-application is justified by objective considerations.
Czech Rep	No	Voucher-based work is not established in the Czech Republic.
Denmark	No	Voucher-based work is not established in Denmark.
Estonia	No.	This is not regulated in Estonian law.
Finland	Yes	The Employment Contracts Act requires a written statement for fixed-term workers only if the contract is longer than one month.
France	Yes	The WSD covers many different types of atypical workers, including voucher workers.
Germany	No	Voucher-based work is not established in Germany.
Greece	No	Voucher-based work is not established in Greece. Vouchers are only paid to unemployed people on vocational training programmes to facilitate their re-entry into the labour market.
Hungary	No	Voucher-based work is not established in Hungary.
Ireland	No	There is no legislative definition of voucher-based work. This form of work is not emerging in Ireland.
Italy	No	Vouchers have been recently banned.
Latvia	No	Employment types such as casual workers, platform/crowd workers, voucher-based workers are not regulated by the law, thus such types of employment are legally impossible.
Lithuania	No	This work is not recognised in Lithuanian labour law.
Luxembourg	No	This work does not exist in Luxembourg.
Malta	No	Voucher-based work is not established in Malta.

Netherlands	Yes	In the Netherlands, it is not completely clear when the obligation to provide a written statement set up in the Civil Code also applies to new forms of work. However, in the case of voucher-based work, the expert believes these workers are covered in most cases.
Poland	No	There is no information on this type of work in Poland and it is not regulated in labour law.
Portugal	No	Not defined in the national law and therefore not covered.
Romania	Possibly	This type of employment is not used/regulated in Romania. However, if they are hired as regular workers based on employment contracts (part-time, full-time, working from home), they are covered.
Slovakia	No	Voucher workers are not regulated in Slovak law.
Slovenia	No	Voucher-based workers do not conclude an employment contract and are therefore not covered.
Spain	Yes	Option 1 applies to any employee as long as the employment relationship lasts over 4 weeks.
Sweden	No	Voucher-based work is not established in Sweden.
UK	No	Voucher-based work is not established in the UK.

Source: Own CSES PPMI research.

Table 94 The right for paid trainees to receive a written statement

Country	Paid trainees covered?	Comments
Austria	Possibly	It depends on the nature of the contract. They are covered if they receive an employment contract.
Belgium	Yes.	They are regulated by the normal employment law.
Bulgaria	Possibly	If they have an employment contract.
Croatia	Possibly	If they have an employment contract.
Cyprus	Yes	In Cypriot labour law trainees are covered by the WSD as they are defined as employees.
Czech Rep	No	Paid trainees are not covered by the labour law and therefore also not by the WSD – they perform work as a part of their curricula.
Denmark	Yes	A trainee is considered an employee when he/she receives remuneration for personal services. Unpaid trainees on the other hand do not fall within the scope of application of the information obligation.
Estonia	Possibly	If they have an employment contract.
Finland	No	They are not regulated in Finnish law.
France	Yes	Paid trainees are considered employees in French law.
Germany	Yes	Trainees (in the meaning of interns) are deemed as employees and therefore they are covered by the Directive. However, they are not covered if the internship is part of their study curriculum or if its duration is shorter than 3 months.
Greece	Yes	But only if they are in dependent employment and their total contract is for at least one month.
Hungary	No	Paid trainees are outside of the scope of Hungarian labour law.
Ireland	Possibly	Whether or not the legislation applies depends on whether the worker can be classified as an 'employee' under Irish law. This is especially relevant for paid trainees. Whether they are covered or not depends on their contract.
Italy	Yes	All employees and workers are covered.
Latvia	Yes	The Latvian law does not regulate issues regarding trainees. If they are trained in return for remuneration, they are considered as employees under the labour law.
Lithuania	Yes	All workers under Lithuanian law are covered by the WSD. The recent legislation foresees only one exception, namely people whose employment relationship lasts less than 1 month.
Luxembourg	Yes	Paid trainees are generally considered as workers/employees

Country	Paid trainees covered?	Comments
		with a contract.
Malta	Yes	The underlying principle is that if the individual is deemed to be an employee, then there is a right to a written statement. Paid trainees are considered employees and are therefore covered by the WSD.
Netherlands	Yes	The national legislation implementing the Directive covers both regular employees –with an open-ended full-time contract- and other types of casual and atypical workers, including paid trainees.
Poland	Yes	Paid trainees usually have an employment contract and are therefore covered.
Portugal	Yes	At national level, despite the fact of being outside the scope of the labour code, trainees are entitled to information concerning their working conditions, under the specific legislation applicable to them.
Romania	Possibly	Paid trainees have the right to be provided with information by their employer where t they are employees and act on grounds of an employment contract. Otherwise, if they are in receipt of a scholarship grant or they act on grounds of an internship arrangement signed with the educational institution, according to their education curriculum, such right is not applicable.
Slovakia	Possibly	Trainees generally do not perform their work within any employment relationship, cannot be considered as being employees and thus the obligation to be given a written statement in line with the labour code does not apply. However, trainees in a dual education system perform their training with the employer as employees under a labour contract and are therefore covered.
Slovenia	Yes	It is important to note that every person who concludes an employment contract is provided with the rights stated in the WSD, including paid trainees.
Spain	Yes	The WSD applies to any employee as long as the employment relationship lasts over 4 weeks. In Spain, the labour code states that written contracts are compulsory for some specific types (as required by their specific law), such as traineeship and training contracts.
Sweden	Possibly	There is no statutory definition of 'trainee' in Swedish labour law. The coverage depends on whether the trainee in the individual case is considered to be an employee or not. In most situations, a trainee could be considered to be an employee and therefore covered by labour law, including the right to written information.
UK	Possibly	There is no statutory definition of a 'trainee' in UK law.

Source: Own CSES PPMI research.

Table 95 The right for workers employed for less than one month to receive a written statement

Country	Workers employed for < 1 month covered?	Comments
Austria	No	Employees working less than one month are not covered by the WSD.
Belgium	Yes	They are covered by the WSD and Belgian law as temporary workers.
Bulgaria	Yes	Bulgarian law does not distinguish between rights for different types of employees, as long as they have an employment contract. Therefore, employees working less than 1 month are generally covered by the WSD.
Croatia	Yes	All workers with employment relationships have a right to a written statement regardless of their casual and atypical work.
Cyprus	No	Employees working less than 8 hours per week or less than 1 month are excluded.
Czech Rep	No	Generally, those atypical forms of work which are carried out based on an employment relationship are covered by the labour code and with the exception of employment relationships lasting less than 1 month also by the WSD.
Denmark	No	Employees working less than 8 hours per week or less than 1 month are excluded.
Estonia	Yes	All employees with an employment contract receive the written statement.
Finland	No	The Employment Contracts Act requires a written statement for fixed-term workers only if the contract is longer than one month.
France	Yes	All employees with an employment contract receive the written statement.
Germany	No	Employees working less than one month in a company are not entitled to a written statement.
Greece	No	All employees and workers, except those working less than one month and platform workers, are covered.
Hungary	Yes	Employees working less than one month are covered by the labour code.
Ireland	No	Employees working less than one month are excluded.
Italy	Yes	All employees and workers are covered, except those who work less than 8 hours and less than 1 month. Both requirements need to be fulfilled.
Latvia	Yes	All workers under Latvian law are covered by an obligation to provide a written employment contract with the exact hours of work.
Lithuania	No	All workers under Lithuanian law are covered by the WSD. The recent legislation foresees only one exception, namely workers whose employment relationship lasts less than 1 month.
Luxembourg	Yes	The relevant provisions apply to all employees, regardless of whether they are subject to flexibility measures.
Malta	No	All workers with an employment contract receive the written statement, excluding those working less than 8 hours a week or less than 1 month.
Netherlands	Yes	The right to receive a written or electronic statement applies to all employees.
Poland	Yes	All workers with a legal employee status, including employees working less than 8 hours per week or less than 1 month.
Portugal	Yes	All employees are covered by the WSD.
Romania	Yes	All workers with an employment contract receive the written statement, excluding those working less than 8 hours a week or less

Country	Workers employed for < 1 month covered?	Comments
		than 1 month.
Slovakia	No	All workers with an employment relationship, except those with a contract for less than one month.
Slovenia	Yes	All workers with an employment contract. (Including employees working less than 8 hours and those working less than 1 month).
Spain	No	The WSD applies to any employee as long as the employment relationship lasts over 4 weeks.
Sweden	Possibly	Employees working less than 8 hours or less than 3 weeks are excluded, as well as platform/crowd workers and domestic workers.
UK	No	These employees are excluded.

Source: Own CSES PPMI research.

Table 96 The right for people working less than eight hours per week to receive a written statement

Country	People working less than 8 hours per week covered?	Comments
Austria	Yes	All workers with an employment relationship, including those working less than 8 hours per week, are covered.
Belgium	Yes	This kind of work is regulated under the law on part-time workers.
Bulgaria	Yes	Bulgarian law does not distinguish between rights for different types of employees, as long as they have an employment contract.
Croatia	Yes	All workers with employment relationships have a right to a written statement.
Cyprus	No	People working less than 8 hours per week or less than 1 month are excluded.
Czech Republic	Yes	Generally, those atypical forms of work which are carried out based on an employment relationship (working less than 8 h/week) are covered by the Labour Code and the WSD.
Denmark	No	People working less than 8 hours per week are excluded.
Estonia	Yes	All employees with an employment contract are covered.
Finland	Yes	Almost all atypical forms of work require a written statement.
France	Yes	All workers who are considered an 'employee' are covered.
Germany	Yes	All employees except those working less than one month in a company are covered.
Greece	Yes	All employees and workers are covered, except those working less than one month.
Hungary	Yes	People working less than 8 hours per week are covered by the labour code.
Ireland	Yes	All employees are covered, including those working less than 8 hours per week.
Italy	Yes	All employees and workers are covered, except those who work less than 8 hours and less than 1 month. Both requirements need to be fulfilled.
Latvia	Yes	All workers under Latvian law are covered by an obligation to provide a written employment contract with the exact hours of work.
Lithuania	Yes	All workers with an employment contract, including those working less than 8 hours per week.

Country	People working less than 8 hours per week covered?	Comments
Luxembourg	Yes	The relevant provisions apply to all employees, regardless of whether they are subject to flexibility measures.
Malta	No	All workers with an employment contract are covered, excluding those working less than 8 hours a week or less than 1 month.
Netherlands	Yes	The right to receive a written or electronic statement applies to all employees irrespective of employment duration or intensity.
Poland	Yes	All workers with a legal employee status, including people working less than 8 hours per week or less than 1 month.
Portugal	Yes	All employees are covered by the WSD.
Romania	Yes	All employees with an employment contract are covered.
Slovakia	Yes	All workers with an employment relationship, except those with a contract for less than one month.
Slovenia	Yes	Every person who concludes an employment contract, is provided with the rights stated in the WSD.
Spain	Yes	The WSD applies to any employee as long as the employment relationship lasts over 4 weeks.
Sweden	No	People working less than 8 hours or less than 3 weeks are excluded from the WSD.
UK	Yes	These people are covered as long as they are not casual workers.

Source: Own CSES PPMI research.

Table 97 The right for casual workers to receive a written statement

Country	Casual workers covered?	Comments
Austria	Possibly	If they have an employment contract, they are covered. Zero-hours contracts are illegal. Intermittent contracts are not regulated.
Belgium	Yes	All standard employees and atypical workers are covered.
Bulgaria	Possibly	If they have an employment contract, they are covered.
Croatia	Possibly	If they have an employment contract, they are covered.
Cyprus	Possibly	Casual and atypical workers are excluded as employees, if their employment is of a casual and/or specific nature provided that its non-application is justified by objective considerations.
Czech Rep	Possibly	Atypical forms of work which are carried out based on an employment relationship are covered by the labour code and with the exception of employment relationships lasting less than 1 month also by the WSD.
Denmark	Possibly	Self-employed people and on-call workers on zero-hour contracts ('Tilkaldevikarer') are the only categories of employees that are not covered.
Estonia	Yes (intermittent)	Intermittent workers receive the WS if they have an employment contract. Zero-hours and on-demand workers do not exist.
Finland	Yes	Casual work is not explicitly recognised in law, but is covered by the WSD.
France	Yes	Almost all standard employees and atypical workers are covered.
Germany	Yes	On-demand work is regulated. Zero-hours contracts do not exist in Germany.
Greece	Yes	Causal work is common, but no special legal framework exists that regulates such work.
Hungary	Yes	Zero-hours contracts are not allowed under the national legislation, but on-call contracts are and are subject to the

Country	Casual workers covered?	Comments
		information obligation.
Ireland	Possibly	Casual workers are covered if they have an employment contract.
Italy	Possibly	Casual workers are covered if they have an employment contract.
Latvia	Yes	All workers under Latvian law are covered by an obligation to provide a written employment contract with the exact hours of work. The atypical workers have equal rights with other employees with regards to the WSD. However, types of employment such as casual workers are not regulated by the law, thus such types of employment are legally impossible. On-call/zero-hours employment is in principle prohibited since an employment contract must stipulate particular working time.
Lithuania	Yes	The atypical workers have equal rights with other employees with regard to the obligation to conclude a written employment contract before the commencement of work and with regard to the particular information the written agreement has to provide. However, zero-hours contracts are illegal.
Luxembourg	No	There is no reference to casual, on-call or zero-hours work in the Luxembourg Code of Work.
Malta	No	Casual workers are not covered as they are usually not an employee according to Maltese law.
Netherlands	Yes	The national legislation implementing the Directive covers both regular employees -with an open-ended full-time contract – and other types of casual and atypical workers, including part-time workers, temporary workers, on-call workers and paid trainees.
Poland	Possibly	The provisions in the Polish labour code (including the written statement) cover all types of employees including casual and atypical if they have the legal status of an employee. However, the definition of an employee in the Polish labour code is much narrower than the definition in EU law.
Portugal	Yes	Intermittent workers are covered. On-call and zero-hours workers do not exist.
Romania	Possibly	As regards casual workers the information was included only with respect to those casual workers covered by the Romanian legislation (e.g. intermittent workers who are employees with an unequal schedule and employees who also work on-call in addition to their normal – uniform or unequal – schedule).
Slovakia	Possibly	If they have an employment contract, they are covered.
Slovenia	Possibly	Every person who concludes an employment contract is provided with the rights stated in the WSD. Some of the casual and atypical workers do not perform work based on an employment contract (for example: a 'zero-hours' employment contract cannot be concluded, voucher-based workers do not conclude an employment contract etc.), and are therefore not covered.
Spain	Yes	The WSD applies to any employee as long as the employment relationship lasts over 4 weeks. It is important to note that when granting rights Spanish employment law makes few distinctions among workers. Hence, in the majority of situations, it is usually irrelevant whether the employee is full-time or part-time (except for some aspects of working hours), permanent or temporary (except for termination rights), etc.
Sweden	Yes	The WSD in Sweden covers all employees, including casual workers.

Country	Casual workers covered?	Comments
UK	Possibly	Most individuals engaging in this type of employment are classified as workers, therefore their rights are not protected under current legislation.

Source: Own CSES PPMI research.

Table 98 The right for temporary agency workers to receive a written statement

Country	Temporary agency workers covered?	Comments
Austria	No	Temporary agency work is covered in Austrian labour law, but different regulations apply regarding information.
Belgium	Yes	All standard employees and atypical workers are covered.
Bulgaria	Possibly	If they have an employment contract, they are covered.
Croatia	Yes	They are regulated in Croatian labour law.
Cyprus	Yes	There is a regulation on temporary agency workers in Cypriot law.
Czech Rep	Possibly	If they have an employment contract, they are covered.
Denmark	Yes	A report from the employers' organisation, DA, states that Agency workers are covered in terms of their rights in the same way as other employees.
Estonia	Yes	Estonian labour law provides for rules on four types of new/flexible forms of work: fixed-term work, part-time work, telework and temporary agency work. Under Estonian law, it is obligatory to apply the requirements of the Directive with regard to all employees who work on the basis of these forms of work.
Finland	Yes	Temporary agency workers are regulated in Finnish law.
France	Yes	The temporary agency work sector is highly regulated (by law and by collective agreements). Temporary agency workers have their own social dialogue system with representatives from the social partners.
Germany	Yes	Temporary agency workers have an employment contract with the agency and thus they are covered.
Greece	Possibly	If they have a dependent employment contract, they are covered.
Hungary	Yes	There is a regulation on temporary agency workers in Hungarian law.
Ireland	Yes	Temporary agency workers are covered by the ToEA 1994
Italy	Yes	Agency workers are subordinate employees. Therefore, they have the right to receive a written statement with all the relevant information.
Latvia	Yes	Temporary agency workers are covered in Latvian law.
Lithuania	Yes	All workers under Lithuanian law are covered by the WSD. The recent legislation foresees only one exception, namely people whose employment relationship lasts less than 1 month.
Luxembourg	Yes	They are regulated by law.
Malta	Possibly	The temporary agency worker is an employee and would have entered into a contract of employment with the agency. Hence, it is submitted that, insofar as possible, the temporary agency worker is still partly covered, as it were, insofar as the conditions of employment can be determined and therefore communicated to the employee.
Netherlands	Yes	Temporary agency workers are covered by Dutch law.

Country	Temporary agency workers covered?	Comments
Poland	Yes	The provisions in the Polish labour code (including the written statement) cover all types of employees including casual and atypical if they have the legal status of an employee under Article 2 labour code. Temporary agency workers are regulated.
Portugal	Yes	This is a special employment contract and all forms of employment contract are subject to the labour code, where information duties of the employer, in the sense of the Directive, are displayed.
Romania	Yes	They have an employment relationship.
Slovakia	Yes	Temporary agency work is covered by the labour code and Act on Employment Services.
Slovenia	Possibly	If they have an employment contract, they are covered.
Spain	Yes	The WSD applies to any employee as long as the employment relationship lasts over 4 weeks.
Sweden	Yes	A separate Act on Hiring Out of Employees 2012:854 applies; it transposes the Agency Work Directive 2008/104. About 1.5% of the Swedish labour force consists of agency workers. All labour law and the WSD rules, apply to agency workers.
UK	No	Temporary agency workers do not satisfy the definition of 'employee' as they do not have an employment relationship with the service user. They may have a contract of employment with the agency but this is not so common.

Source: Own CSES PPMI research.

Table 99 Employment of specific nature excluded from the Directive

Country	Are the derogation provisions applied?	Excluded categories	Number	Year; Source
AT	YES	• Agency workers are excluded (Section 2 (8) AVRAG) Agency workers are employees under Austrian labour law but have a special right to information according to Section 11 Arbeitskräfteüberlassungsgesetz (Austrian Agency Work Act, cf Article 8 of the Directive 2008/104/EC).	• 95 289	2016 Eurostat (calculated based on the data from 'Employment and activity by sex and age - annual data [lfsi_emp_a]' and 'temporary employment agency workers by sex, age and NACE Rev. 2 activity [lfsa_qoe_4a6r2]'
BE	NO			
BG	NO			
CY	YES	• The Law does not apply to employees whose employment is of a casual and/or specific nature, provided, in these cases that its non-application is justified by objective considerations.		
CZ	NO			
DE	NO			
DK	YES	• Seamen covered by the Merchant Shipping Act. • The Danish Minister for Employment may decide that employees who have an employment relationship of a casual or specific nature shall not be subject to the ERCA.	• <80 000 (number of people employed in Danish shipping)	2012. The Danish Government, 'Denmark at Work: Plan for Growth in the Blue Denmark,' https://www.dma.dk/Vaekst/MaritimErhvervspolitik/Documents/denmark%20at%20work%20-%20plan%20for%20growth%20in%20the%20blue%20denmark.pdf>
EE	NO			
EL	YES	• Employees in unsystematic agricultural jobs.	• (1)32 900 (2)51 400	(1) 2016. Eurostat Labour Force Survey (LFS), (Employment by occupation and economic activity (from 2008 onwards, NACE Rev. 2) - 1 000 [lfsa_eisn2]) (2) 2013 Eurostat farm structure

				survey (FSS), [ef_lflegaa]
ES	YES	• All works or activities are excluded as they are not considered a 'labour' relation. • All tasks carried out further to a friendship, charitable act or good neighbour relationship are not considered to be a labour relation. • Family jobs, unless those who are executing the job are proven to hold employee status. To this effect and subject to living with the business owner, the following shall be considered relatives: the spouse, descendants, ascendants and other relatives by blood ties or affinity, up to the second degree, inclusive and those adopted into the family, as the case may be.		
FI	NO			
FR	NO			
HR	NO			
HU	NO			
IE	Possible	• The Act does not contain any explicit exclusion for this category but does empower the relevant government minister to exclude certain categories of workers for objectively justifiable reasons and only after consultation with employer and employee representatives.		
IT	YES	• Employees who are the wife/husband/relatives of the employer and who live in the same house as the employer. • Employees who are diplomats or work for a diplomatic mission abroad.	• <4 939 (number of the Ministry of Foreign affairs' staff serving abroad)	2017. Sistema Statistico Nazionale, 'The Ministry of Foreign Affairs of Italy in numbers: Statistical Yearbook 2017,' http://www.esteri.it/mae/resource/doc/2017/10/statistical__yearbook_2017_x_sito.pdf
LT	YES	• Civil servants (all their working conditions are defined in a separate law on the civil service), micro businesses and highly paid (earning above two times the average statistical salary in Lithuania) employees are excluded.	• In total: 390 756 • (1) Civil servants – 51 136 • (2) Employees in micro businesses: 267 620 - 280 000 • (3) Highly paid employees - 72 000	(1) 2016. CIVIL SERVICE PORTAL OF LITHUANIA (2) 2015. Official Statistics Portal of Lithuania and Eurostat (Annual enterprise statistics by size class for special aggregates of activities (NACE Rev. 2) [sbs_sc_sca_r2])

				(3) 2017. SODRA, https://www.delfi.lt/verslas/verslas/naujame-darbo-kodekse-tukstancius-dirbanciuju-paliesiantis-pakeitimas.d?id=74 106 560
LU	NO			
LV	NO			
MT	YES	• Workers employed to perform a specific defined task, on condition that the non-application is justified by objective considerations.		
NL	YES	• Domestic work in private households providing services for fewer than four days a week. In this case the employer only needs to provide them with a written or electronic statement of the particulars at the request of the employee.	• 3 000	2008. ILO http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_173363.pdf)
PL	NO			
PT	NO			
RO	NO			
SE	NO			
SI	NO			
SK	YES	Three agreements on 'work performed outside the employment relationship' are excluded, namely: • work performance agreement • agreement on temporary jobs of students • agreement on work activity.	• 343 685 (on work performance agreements – 143 843; on work activity agreements – 200 013)	2015. Eurofound, 'Slovakia: New rules on employing external workers.' https://www.eurofound.europa.eu/observatories/eurwork/articles/law-and-regulation/slovakia-new-rules-on-employing-external-workers
UK	YES	• Seamen under a 'crew agreement' approved by the relevant Secretary of State are excluded.	• <23 060	(estimated total number of UK seafarers active at sea) 2016. UK Department for Transport, 'Seafarer Statistics,' 2017 (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/585581/seafarer-statistics-2016.pdf)

10. Annex 2 Employer survey questionnaire

Written Statement Directive: employer questionnaire

Introduction

Welcome to the survey for employers regarding EU labour law!
As you may be aware, you are required to provide your employees with a written statement specifying the conditions of employment, such as responsibilities, employment duration, salary, etc. This information can be provided as part of the employment contract or as a separate document. It must be given to the employee within two months of commencement of the employment.

This requirement was developed by the European Union in the legal act called the "Written Statement Directive". The EU is now considering making some changes to the requirements, to update the Directive to bring it into line with changing labour market practices. This means that the obligations for the organisation you represent may change as well, so obtaining your feedback is important.
The purpose of this survey is to identify how potential changes can affect you and your business. The potential changes are related to:
Providing a written statement for the workers that do not always receive one (mainly for very flexible employment relationships);
Introducing certain new employment rights.

The results of the survey will provide input to the potential revision of the Directive. Your responses will be treated in confidence. If you have any questions, please contact us at karolina@ppmi.lt.
To enter the survey, please click on the button below.

About your organisation
1) In which country is your organisation located? This question is required.*
( ) Austria
( ) Belgium
( ) Bulgaria
( ) Croatia
( ) Cyprus
( ) Czech Republic
( ) Denmark
( ) Estonia
( ) Finland
( ) France
( ) Germany
( ) Greece
( ) Hungary
( ) Ireland
( ) Italy
( ) Latvia
( ) Lithuania
( ) Luxembourg

( ) Malta
( ) Netherlands
( ) Poland
( ) Portugal
( ) Romania
( ) Slovakia
( ) Slovenia
( ) Spain
( ) Sweden
( ) United Kingdom
( ) I work outside the European Union

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2) In which sector does your organisation operate? This question is required.*
( ) Accounting
( ) Advertising
( ) Agriculture/fishing
( ) Architecture
( ) Automotive
( ) Aviation
( ) Banking/Financial
( ) Bio-Tech
( ) Brokerage
( ) Carpentry/Electrical Installations/Plumbing
( ) Chemicals/Plastics/Rubber
( ) Communication/information
( ) Computer Hardware
( ) Computer Reseller (software/harware)
( ) Computer Software
( ) Construction
( ) Consulting
( ) Consumer Electronics
( ) Consumer Package Goods
( ) Education
( ) Energy/Utilities/Oil and Gas
( ) Engineering
( ) Environmental Services
( ) Fashion/Apparel
( ) Government/Public Sector
( ) Healthcare
( ) Hospitality/tourism
( ) Human Resources
( ) I don't work
( ) Information Technology/IT
( ) Insurance
( ) Internet
( ) Legal/Law
( ) Manufacturing
( ) Market Researcher

( ) Marketing/Sales
( ) Media/Entertainment
( ) Military
( ) Non Profit/Social Services
( ) Other
( ) Personal Services
( ) Pharmaceuticals
( ) Prefer not to say
( ) Printing Publishing
( ) Public Relations
( ) Real Estate/Property
( ) Retail
( ) Security
( ) Shipping/Distribution
( ) Telecommunications
( ) Transportation

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3) What are your main tasks in your organisation? This question is required.*
Check all tasks you are responsible for.
[ ] Book-keeping
[ ] Communication activities
[ ] Product development or providing services
[ ] IT support
[ ] Managing sales
[ ] Managing the entire company
[ ] Recruiting employees
[ ] Supervising other employees
[ ] Training employees
[ ] Other

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4) What type of organisation do you represent?
( ) Public
( ) Private
( ) Civil society
( ) Don't know
( ) Other - Please specify: ____

5) What is the total number of staff in your organisation?
Please take into account all employees that your company pays taxes for, as well as other very flexible or temporary employees. Please disregard self-employed people whom you have recruited as sub-contractors.
( ) 1-9
( ) 10-49
( ) 50-249
( ) +249

Providing the written statement - key information about employment conditions
The Written Statement includes information regarding key **employment conditions, e. g. responsibilities, salary, leave, place of work, etc.**

6) Do you provide your employees with the required employment information in writing?
( ) Yes – for all employees
( ) Yes – for some employees
( ) No
( ) Don't know

7) When do your employees receive the employment information in writing?
( ) On the day they start or before
( ) Within one week of the start date
( ) Within 15 days of the start date
( ) Within 1 month of the start date
( ) Within 2 months of the start date
( ) Later than 2 months of the start date
( ) Don't know

8) Would there be any additional costs, if you were required to provide employment information for all employees in writing for the following periods?

	Yes	**No**	**Don't know**
within a maximum 15 days of the start of employment	( )	( )	( )
on the 1st day of employment	( )	( )	( )

9) How significant would the additional costs be, if you had to provide employment information in writing?

	High	**Medium**	**Small**	**Don't know**
within 15 days of the start of employment	( )	( )	( )	( )
on the 1st day of employment	( )	( )	( )	( )

Provision of employment information for employees working less than 8 hours per week

10) How many staff members are employed at your organisation for less than 8 hours per week? This question is required.*
( ) 1-5
( ) 6-9
( ) 10-15
( ) 16-20
( ) 21-30
( ) 31-50
( ) 51-150
( ) 150+
( ) None
( ) Don't know

---

11) Does your organisation strongly rely on employees working less than 8 hours per week?
( ) Yes
( ) No
( ) Don't know

12) Do you provide the same employment information in writing for employees working less than 8 hours per week?
( ) Yes
( ) No
( ) Don't know

Provision of employment information for people with a less than 1-month contract

13) How many staff members have a temporary contract for less than 1-month? This question is required.*
( ) 1-5
( ) 6-9
( ) 10-15
( ) 16-20
( ) 21-30
( ) 31-50
( ) 51-150
( ) 150+
( ) None
( ) Don't know

---

14) Does your organisation strongly rely on employees with a temporary contract of less than 1-month?
( ) Yes
( ) No
( ) Don't know

15) Do you already provide employees with temporary contracts of less than 1-month with the required employment information in writing?
( ) Yes
( ) No
( ) Don't know

Provision of employment information for on-demand employees

On-demand **workers** perform tasks when they are called in **and do not have an agreed working schedule. On-demand work should not be confused with the on-call work of doctors and firemen, where being on-call is only a part of their job and they are paid while waiting. An on-demand worker does not perform any work until he/she is called in and is not paid for waiting time.**

16) How many staff members have on-demand employment relationships?
( ) 1-5
( ) 6-9
( ) 10-15
( ) 16-20
( ) 21-30
( ) 31-50
( ) 51-150
( ) 150+
( ) None
( ) Don't know

17) Does your organisation strongly rely on employees with on-demand employment relationships?
( ) Yes
( ) No
( ) Don't know

18) Do you already provide the required employment information for on-demand employees in writing?
( ) Yes
( ) No
( ) Don't know

Provision of employment information for intermittent workers

Intermittent workers have an employment relationship of short duration which either involves completing a task or working for a specific number of days (e.g. seasonal workers).

19) How many staff members have intermittent employment relationships?
( ) 1-5
( ) 6-9
( ) 10-15
( ) 16-20
( ) 21-30
( ) 31-50
( ) 51-150
( ) 150+
( ) None
( ) Don't know

20) Does your firm strongly rely on intermittent workers?
( ) Yes
( ) No

( ) Don't know

21) Do you already provide the required employment information for intermittent workers in writing?
( ) Yes
( ) No
( ) Don't know

Provision of a right to reference hours

Casual workers are employees who work under very flexible working arrangements, e.g. on-demand, zero-hours and intermittent workers. Zero-hours workers have no guaranteed minimum hours.

"Reference hours" refers to the start-time and end-time between which casual workers may be asked to perform work. Casual workers who only work a few hours per day may be given such a reference period - for example from 09.00 – 17.00 - between which the worker can be called in or perform work. In practice, the workers might work only a few hours or not at all. This means that an on-demand worker cannot be called in at 18:00 for example, because this time is outside the reference period. For instance, it can be important for parents not to be called during evenings and nights, or for people who combine a few jobs.

22) Do the contracts with your casual workers state the reference hours such as described above? This question is required.*
( ) Yes – all contracts with casual workers
( ) Yes – some contracts with casual workers
( ) No
( ) Not applicable (Don't employ casual workers)
( ) Don't know

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23) To what extent <u>do you think</u> your organisation benefited from defining reference period for the casual workers?

Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer	( )	( )	( )	( )

complaints from workers				
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

24) How has the provision of reference hours influenced your decision to recruit casual workers?
( ) Recruited fewer casual workers
( ) Replaced casual workers with employees with "standard" forms of employment
( ) Replaced formal contracts with informal agreements
( ) Replaced formal contracts with self-employed workers
( ) No difference
( ) Don't know

25) To what extent do you think you incurred additional administrative costs because of the provision of reference period for casual workers:
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human	( )	( )	( )	( )

resource manager				
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

26) To what extent do you think your organisation experienced the following effects because of the provision of reference hours?

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

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27) If you had to provide reference hours for your casual workers, to what extent do you think your organisation would benefit from:
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )

Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

28) If you had to provide reference hours for your casual workers, how would this influence your decision to recruit casual workers?
( ) We would recruit fewer casual workers
( ) We would replace casual workers with employees with "standard" forms of employment
( ) We would replace formal contracts with informal agreements
( ) We would replace formal contracts with self-employed workers
( ) It would make no difference
( ) Don't know

29) If you had to provide reference hours for your casual workers, to what extent do you think you would incur additional administrative costs?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )

Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

30) If you had to provide reference hours for your casual workers, to what extent do you think your organisation would experience the following effects?

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

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31) To what extent do you think that the following benefits would arise across the labour market, if all employers had to state reference hours?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Better working conditions	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Less unfair competition from other firms	( )	( )	( )	( )
Better labour relations	( )	( )	( )	( )
Greater labour market transparency	( )	( )	( )	( )

Greater competitiveness	( )	( )	( )	( )

Would you like to comment on the benefits and costs associated with reference hours? If Yes, please do so in the box bellow, if no proceed to the next question.

Providing a minimum notice period

The right to a **minimum notice period for casual workers** is most relevant for those workers who do not have a fixed working schedule, but are called in when they are needed. A minimum notice period means that an employee cannot be asked to come immediately when called, but that an **employer must contact such an employee** at least 24 hours/2 days/one week/etc. **before the employee needs to come in**. This is not relevant for doctors/firemen where being on-call is part of their full-time job and they are paid for waiting.

32) Do you provide a minimum advance notice period before a new assignment or a new period of work begins? This question is required.*
( ) Yes – all contracts with casual workers
( ) Yes – some contracts with casual workers
( ) No
( ) Not applicable (don't employ casual workers)
( ) Don't know

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33) To what extent do you think your organisation benefited from providing a minimum advance notice period for casual workers before a new assignment or a new period of work begins?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )

Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

34) How has the provision of a minimum advance notice period for casual workers influenced your recruitment decisions?
( ) Recruited fewer casual workers
( ) Replaced casual workers with employees with "standard" forms of employment
( ) Replaced formal contracts with informal agreements
( ) Replaced formal contracts with self-employed workers
( ) No difference
( ) Don't know

35) To what extent do you think you incurred additional administrative costs because of the provision of a minimum advance notice period?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )

Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

36) To what extent do you think your organisation experienced the following effects because of the provision of a minimum advance notice period?

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

37) If you had to provide a minimum advance notice period for your casual workers, to what extent do you think your business would gain the following benefits?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working	( )	( )	( )	( )

conditions				
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

38) If you had to provide a minimum advance notice period for your casual workers, how would this influence your decision to recruit casual workers?
( ) We would recruit fewer casual workers
( ) We would replace casual workers with employees with "standard" forms of employment
( ) We would replace formal contracts with informal agreements
( ) We would replace formal contracts with self-employed workers
( ) It would make no difference
( ) Don't know

39) **If you had to provide a minimum advance notice period for your casual workers, to what extent <u>do you think</u> you would incur additional administrative costs?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )

Informing staff	( )	( )	( )	( )

40) **If you had to provide a minimum advance notice period for your casual workers, to what extent <u>do you think</u> your business would experience the following effects?**

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

41) **To what extent <u>do you think</u> the following benefits would arise across the labour market, if all employers had to provide a minimum advance notice period for their casual workers?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Better working conditions	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Less unfair competition from other firms	( )	( )	( )	( )
Better labour relations	( )	( )	( )	( )
Greater labour market transparency	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

Would you like to comment on the benefits and costs associated with minimum advance notice periods? **If yes, please do so in the box bellow, if no proceed to the next question.**

Providing a minimum number of hours set at the average level of hours worked during a preceding period

For this section, please consider the following situation: If a casual worker has worked for an average of 25 hours per week in the last 6 months, the employer has to provide him/her with minimum hours based on that average of 25 hours. So a preceding period provides the minimum hours for the next period.

42) Do you provide your casual workers with minimum hours, based on a preceding period such as described in the example above? This question is required.*
( ) Yes – all contracts with casual workers
( ) Yes – some contracts with casual workers
( ) No
( ) Not applicable (don't employ casual workers)
( ) Don't know

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43) To what extent do you think your organisation benefited from providing a minimum number of hours set at the average level of hours worked during a preceding period?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )

Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

44) How has the provision of a minimum number of hours influenced your decision to recruit casual workers?
( ) Recruited fewer casual workers
( ) Replaced casual workers with employees with "standard" forms of employment
( ) Replaced formal contracts with informal agreements
( ) Replaced formal contracts with self-employed workers
( ) No difference
( ) Don't know

45) **To what extent <u>do you think</u> you incurred additional administrative costs because of the provision of a minimum number of hours for your casual workers?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

46) **To what extent <u>do you think</u> your organisation experienced the following effects because of the provision of a minimum number of hours for your casual workers?**

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

47) **If you had to provide a minimum number of hours for your casual workers, to what extent <u>do you think</u> your business would gain the following benefits?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )

Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

48) If you had to provide a minimum number of hours for your casual workers, would this influence your decision to recruit casual workers?
( ) We would recruit fewer casual workers
( ) We would replace casual workers with employees with "standard" forms of employment
( ) We would replace formal contracts with informal agreements
( ) We would replace formal contracts with self-employed workers
( ) It would make no difference
( ) Don't know

49) **If you had to provide a minimum number of hours for your casual workers, to what extent <u>do you think</u> you would incur additional administrative costs?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

50) **If you had to provide a minimum number of hours for your casual workers, to what extent <u>do you think</u> your organisation would experience the following effects?**

	To a	**To a**	**Not**	**Don't**

	great extent	modest extent	at all	know
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

51) **To what extent <u>do you think</u> the following benefits would arise across the labour market, if all employers had to provide a minimum number of hours for their casual workers?**
Please mark every option.

	To a great extent	To a modest extent	Not at all	Don't know
Better working conditions	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Less unfair competition from other firms	( )	( )	( )	( )
Better labour relations	( )	( )	( )	( )
Greater labour market transparency	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

Would you like to comment on the benefits and costs associated with minimum number of hours set at the average level of hours worked during a preceding period? **If yes, please do so in the box bellow, if no proceed to the next question.**

Prohibition of exclusivity clauses

An exclusivity clause can be included in the employment contract to define whether an employee is allowed to undertake secondary employment DURING their current employment. For example, such

a clause prevents an employee from working for a certain competitor. The exclusivity clause is closely linked to the non-competition clause which prohibits an employee from working for a competitor AFTER termination of his/her current employment.

52) Do you include exclusivity clauses in the contracts of your employees (i.e. such employees are not allowed to work for other employers during their employment with you)?*
( ) Yes – all contracts with casual workers
( ) Yes – some contracts with casual workers
( ) No
( ) Don't know

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53) To what extent do you think your organisation benefited from not including exclusivity clauses in the contracts of your casual workers?
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce	( )	( )	( )	( )

allocation to tasks				
Greater competitiveness	( )	( )	( )	( )

54) If you have stopped using exclusivity clauses, has this influenced your decision to recruit casual workers?
( ) Recruited fewer casual workers
( ) Replaced casual workers with employees with "standard" forms of employment
( ) Replaced formal contracts with informal agreements
( ) Replaced formal contracts with self-employed workers
( ) No difference
( ) Don't know

55) **To what extent <u>do you think</u> you incurred additional administrative costs because you do not include exclusivity clauses in the contracts?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

56) **To what extent <u>do you think</u> your business experienced the following effects because you do not include exclusivity clauses in the contracts for your casual workers?**

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**

Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

57) **If exclusivity clauses were prohibited, to what extent do you think your organisation would gain the following benefits?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater	( )	( )	( )	( )

competitiveness				

58) If exclusivity clauses were prohibited for casual workers, would this influence your decision to recruit casual workers?
( ) We would recruit fewer casual workers
( ) We would replace casual workers with employees with "standard" forms of employment
( ) We would replace formal contracts with informal agreements
( ) We would replace formal contracts with self-employed workers
( ) It would make no difference
( ) Don't know

59) **If exclusivity clauses were prohibited for casual workers, to what extent do you think you would incur additional administrative costs?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

60) **If exclusivity clauses were prohibited for casual workers, to what extent do you think your organisation would experience the following effects?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased	( )	( )	( )	( )

labour costs				
Reduced workforce flexibility	( )	( )	( )	( )

61) **To what extent <u>do you think</u> the following benefits would arise across the labour market, if all employers were prohibited from including exclusivity clauses in the contracts of their casual workers?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Better working conditions	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Less unfair competition from other firms	( )	( )	( )	( )
Better labour relations	( )	( )	( )	( )
Greater labour market transparency	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

Would you like to comment on the benefits and costs associated with the prohibition of exclusivity clauses? **If yes, please do so in the box bellow, if no proceed to the next question.**

Right to request a different form of employment

The right to request a new form of employment provides the opportunity for the worker to receive a written and justified reply to his/her request for a more stable employment relationship than the one he/she actually holds. The employer would not be obliged to fulfil the request, only to reply in writing.

62) Do you reply in writing to all requests from your employees to change type of contract (e.g. from casual work to more stable work, or from short contracts to longer contracts)? This question is required.*
( ) Yes – systematically
( ) Yes – frequently
( ) No
( ) Don't know

63) **To what extent do you think your business benefited from providing a reply in writing to requests for a new form of employment?**
Please mark every option.

	To a great extent	To a modest extent	Not at all	Don't know
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

64) **To what extent <u>do you think</u> you incurred additional administrative costs because you provide a reply in writing to requests for a new form of employment?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

65) **To what extent <u>do you think</u> your organisation experienced the following effects because you provide a reply in writing to requests for a new form of employment?**

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

66) **If you had to provide a reply in writing to requests to a new form of employment, to what extent <u>do you think</u> your organisation would gain the following benefits?**
Please mark every option.

	To a great extent	To a modest extent	Not at all	Don't know
Higher staff retention / loyalty	( )	( )	( )	( )
Improved workforce productivity	( )	( )	( )	( )
Improved relations with workers	( )	( )	( )	( )
Fewer complaints from workers	( )	( )	( )	( )
Fewer court cases related to working conditions	( )	( )	( )	( )
Lower training costs	( )	( )	( )	( )
Lower costs (other than training)	( )	( )	( )	( )
Better advance planning of workforce allocation to tasks	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

67) If you had to reply in writing to requests for a new form of employment, would this influence your decision to recruit casual workers?
( ) To a great extent
( ) To a modest extent
( ) Not at all
( ) Don't know

68) **If you had to reply in writing to requests for a new form of employment, to what extent <u>do you think</u> you would incur additional administrative costs?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
External legal advice	( )	( )	( )	( )
Revise scheduling system	( )	( )	( )	( )
Time of human resource manager	( )	( )	( )	( )
Training staff	( )	( )	( )	( )
Informing staff	( )	( )	( )	( )

69) **If you had to reply in writing to requests for a new form of employment, to what extent do you think your organisation would experience the following effects?**

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Increased labour costs	( )	( )	( )	( )
Reduced workforce flexibility	( )	( )	( )	( )

70) **To what extent do you think the following benefits would arise across the labour market, if all employers had to reply in writing to requests for a new form of employment?**
Please mark every option.

	To a great extent	**To a modest extent**	**Not at all**	**Don't know**
Better working	( )	( )	( )	( )

conditions				
Improved workforce productivity	( )	( )	( )	( )
Less unfair competition from other firms	( )	( )	( )	( )
Better labour relations	( )	( )	( )	( )
Greater labour market transparency	( )	( )	( )	( )
Greater competitiveness	( )	( )	( )	( )

Would you like to comment on the benefits and costs associated with the right to request a new form of employment?

Right to a maximum duration of probation

71) Do you use probation periods for new employees?
( ) Yes
( ) No
( ) Don't know

72) What is the usual length of probation period in your organisation?
( ) 1-3 months
( ) 3-6 months
( ) 6-12 months
( ) 12-24 months
( ) >24 months
( ) Don't know

73) Taking into account the need to protect the business and give the employee some security, what would be an appropriate maximum length of probation period?
( ) 1-3 months
( ) 3-6 months
( ) 6-12 months
( ) 12-24 months
( ) >24 months
( ) Don't know

Thank You!
Thank you for taking our survey. Your response is very important to the study team.

11. Annex 3 Methodology summary

11.1. EU-level research

Review of various EU-level documents (e.g. Eurofound studies), analysis of Eurostat data, consultation of some EU-level stakeholders.

11.2. National research

The research team has carried out extensive national level research **in each of the 28 EU Member States.**

Two stages of national research

The analysis has been carried out in two stages to ensure the quality of evidence gathered.

The first stage aimed at establishing a clear baseline against which the policy options/sub-options could be assessed.This analysis drew on the desk research undertaken in each country, namely:

- Extraction of country-specific findings from the REFIT evaluation and other EU-level research
- Labour market data on the situation in the Member State, gathered mainly from Eurostat and/or national statistical offices
- Incidence of categories of workers covered by Option 1
- Key most numerous and vulnerable groups of workers
- Current Member State legal frameworks (i.e. extension of the provisions of the current Directive to other types of workers, removal of the possibilities to exclude certain workers (Option 1), and extension of basic rights in employment relationships (Option 5))
- Current Member State legal frameworks with respect to Options 2, 3 and 4
- Review of relevant studies and reports at national level.

Based on the collected evidence of the current situation, the research team developed an **impact assessment framework** for the **second stage** of the national research. The analysis relied on further desk research and consultations undertaken in each country, namely:

- Effects of the current Directive
- Impact of current labour market practices on employees, employers, the state as well as higher level impacts
- Impact of current Member State legal framework (with respect to Options 1, 2, 3, 4, and 5) on employees, employers, the state as well as higher level impacts
- Likely evolution of the baseline scenario and its possible impacts
- Interviews with a representative of employees
- Interviews with a representative of employers
- Interviews with other national stakeholders.

Two levels of national research

The national level research consisted of a **minimum-level research**, covering **each of the 28 EU Member States**, and an additional more **in-depth research**, covering a **selected 10 Member States**. The minimum research involved desk research and at least **2 interviews** – one with a representative of employers and one with a representative of employees. The additional more in-depth research

involved at least 3 extra interviews in addition to the minimal 2 interviews (resulting in at least **5 interviews** in total).

Country selection for a more in-depth research

The countries selected for a **more in-depth research** were:

1. Germany
2. France
3. Italy
4. Slovakia
5. Hungary
6. The Netherlands
7. Spain
8. Poland
9. Denmark
10. The UK.

The countries were selected based on the following **criteria**:

- **Extending or planning to extend the Directive** to cover new and atypical forms of employment (Option 1) and introduce basic rights (Option 5). Such Member States would therefore be able to reflect on their experience, including effects on employees, employers and institutions responsible for dealing with labour disputes.
- **Labour market innovation/pioneering**. The experience of countries that lead the way in labour market innovations should also be analysed as it gives many observation points, which could be used for other countries.
- **Different socioeconomic models**. This composite indicator includes many important contextual features that might influence labour relations and prevailing working conditions.
- **Geographical location** criterion to have a more or less equal coverage of countries across the EU.

Management of national research

The national research has been carried out by **national experts experienced** in delivering national research for similar studies for the EU Commission. Most of them have degrees and extensive experience in Law, Sociology or Economics and hold Lecturer or Professor positions within universities.

The pool of experts has been **carefully managed**, which involved: developing **templates** and accompanying **guidance** for data collection, **briefing** by skype and in person for the required outcomes, continuous **communication** to solve any emerging issues. In addition, the research team carried out extensive **quality assurance and gap analysis** of the received inputs, followed by **clarifications** and extra questions to gather **comprehensive clean data** for each country.

11.3. Employer survey

The research team has also carried out a **survey of employers** to collect data to better understand the **costs and benefits** that employers might experience if they had to provide their atypical workers with key employment information in writing and additional rights: a right to reference hours, a minimum notice period, a right to request a different form of employment, a right to a maximum duration of probation, and forbidding exclusivity clauses in employment contracts.

The survey was carried out **online** and accumulated a total of **347 responses** from working age individuals in **decision-making positions** in their companies from sectors of the economy which were more likely to rely on atypical workers or flexible working arrangements.

The survey was carried out in **5 selected countries**: the United Kingdom, Germany, Italy, Poland and Slovakia. These countries are of a considerable population size[176] and importance, which have gone beyond the current Directive requirements in regulating new and atypical workers. In addition, these Member States represent different socioeconomic models and geographical areas. Therefore, the chosen countries could provide the needed data in terms of **quantity, depth and variety**. The English version of the questionnaire was translated into German, Italian, Polish and Slovak by professional and experienced native-speaker translators.

11.4. Gaps on trends and uncertainties

Data on past and current trends of atypical employment were obtained from established sources: ILO and Eurofound. In addition, international and national studies, EU-wide surveys (EU LFS and Flash Eurobarometers from Eurostat), as well as contributions from national experts have been analysed.

Categorisation and identification of trends of employment **not exceeding one month** was difficult because no consistent and reliable data on the number of workers with such contracts or employment relationships were available across the EU-28 and very often not within Member States. Therefore, more general trends of fixed-term and part-time employment have been provided. No exact trends with regard to employees working **no more than 8 hours per week** could be identified either, because they are rarely distinguished separately in labour market data available in the Member States. This category of workers might be covered by other categories, such as domestic work, voucher-based work or casual work.

There is a large degree of uncertainty with regard to future trends of **crowd/platform employment**, because it largely depends on technological progress and digital management. So, the anticipation of future trends of this new form of employment is highly speculative. Uncertainties also exist with regard to **casual work**. Not all Member States make a distinction between very short fixed-term work and casual work, which might also be linked to informal or undeclared work and overlap with voucher-based work or platform work. Therefore, no precise trends in the development of casual work could be distinguished. Based on the information available, trends in the development of on-call work and intermittent work have been identified.

[176] Apart from Slovakia.

11.5. Impact assessment method

Table 100 Impact assessment method

Option 1: extension of the Directive to atypical workers	
Population covered by any extension	National legal analysis determined whether national policy currently excludes certain types of workers from the scope of the Directive. The analysis then considered the number of workers currently excluded that would be brought into the scope of the Directive: • Employees working <8 hours per week (in countries where they are currently excluded by national legislation) • Employees with contracts of <1 month (in countries where currently excluded) • Employment relationship of a casual nature (where currently excluded) • Employment relationship of a specific nature (where currently excluded) Within the 'casual' category, some types were specifically identified: voucher-based, domestic workers, platform workers. Data were gathered on the number of each type (see separate note). Some data on the number of employees of specific nature were gathered (Annex 1) but not taken into account in the analysis as they are relatively few in number and not always well defined. Many are covered by separate agreements, e.g. diplomats, seamen, civil servants. Some assumptions were made as to whether some types of workers are i) currently covered and ii) would be covered. This was necessary because of: i) lack of clarity/consistency over employment status of such workers; ii) uncertainty over current legal coverage (e.g. if not specifically recognised in law).
Cost of familiarisation	Assumed to be zero, since employers are/should be already familiar with the requirements of the Directive and Option 1 does not introduce new requirements. (In any case, we cover familiarisation under Option 2)
Cost of providing statements	• Number of workers that would be newly covered x unit cost • Unit cost based on REFIT, updated in line with inflation • Differentiation between SMEs and large employers • Upper bound and lower bound per statement (based on REFIT)
Option 2: strengthening information package	
Population covered by any extension	• All companies except in countries that already require employers to provide all four types of information (probation, social security, etc.): two countries excluded: Cyprus, Greece
Cost of familiarisation	• Unit based costs of familiarisation with Working Time Directive evaluation – updated in line with inflation • Unit costs differentiated between MS • Unit costs differentiated between SMEs vs large companies • Cost = number of employers x unit cost

Cost of providing statements	Zero. Statements for existing employees would not need to be updated (unless employees request – expected to be negligible)
Option 3: strengthening information package	
	Qualitative analysis only. Costs will mostly only arise for public authorities responsible for enforcement
Option 4: deadline	
Population affected - firms	• Number of firms in countries that have not yet adopted the option • Differentiate: SMEs + large companies
Population affected – employees	• Number of employees previously and newly covered by an extension to the Directive and benefiting from the right to a reduced deadline, i.e. in countries that have not reduced the deadline to: i) 1 month; ii) 15 days; iii) 1st day or earlier • Annual number of employees benefiting in practice (i.e. new starters) = 10-20% of total employees covered (assumed rate of staff turnover per year) • Number of employees working <1 month who would benefit from a deadline of i) 15 days; ii) 1st day compared to current situation (i.e. employees who no longer leave without receiving one)
Cost of familiarisation	Additional costs to employers from shortening the deadline assumed to be negligible because: • 22 Member States have already reduced the deadline to one month or less • Nearly all employers responding to the survey reported that they already provide written statements within one month, even in the UK (where the deadline is two months) • REFIT study found that shorter timeframes were not considered by employers to be particularly burdensome
Cost of providing statements	Zero. This does not bring additional employees into the scope of the Directive
Option 5.1, 5.2: reference hours, minimum advance notice	
Population affected - firms	• Number of firms in countries that have both not yet included casual workers under the Directive and not adopted the options • Differentiate: SMEs + large companies
Population affected – employees	• Number of employees in countries that have both not yet included casual workers under the Directive and not adopted the options • Estimated number: lower range + upper range
Cost of familiarisation	• Unit cost based unit costs of familiarisation for Working Time Directive evaluation – updated in line with inflation • Unit costs differentiated between MS • Unit costs differentiated between SMEs v large companies • Cost = number of employers x unit cost BUT: cost of familiarisation is not then aggregated with other Options (in order to avoid double-counting)
Cost of providing statements	Zero. These options by themselves do not bring additional employees into the scope of the Directive
Option 5.4: exclusivity clauses	
Population affected - firms	• Number of firms in countries that have both not yet included casual workers under the Directive and not adopted this option • Differentiate: SMEs + large companies

Population affected – workers	• Number of employees in countries that have both not yet included casual workers under the Directive and not adopted this option • Estimated number: lower range + upper range
Cost of familiarisation	As for Options 5.1 and 5.2
Cost of providing statements	Zero. This does not bring additional employees into the scope of the Directive
Population affected – zero-hour workers	• Assumed that the most important effects of prohibiting exclusivity clauses will be for on-demand/zero-hour contract workers rather than casual workers in general. • National research identified countries that allow/prohibit zero-hour contracts • National research identified number of zero-hour contract workers • 8 countries make wide use of zero-hour contracts • Number of zero-hour contract workers gathered from national sources in those 8 countries • National research identified existing prohibitions on exclusivity clauses in those 8 countries; Denmark thus excluded from the analysis (already prohibits exclusivity clauses)
Effects for zero-hour workers (in 8 countries)	Previous research in the UK identified: • % of zero-hour contract workers subject to exclusivity clauses; • % of those workers that would like a 2nd job but are prevented = 6% • Median number of hours worked by zero-hour contract workers with a 2nd job = 7 hours per week • Median hours per week that a zero-hours worker with a 2nd job is not available to the main employer (above and beyond usual hours) = 4 hours per week • Reorganisation costs for main employer due to non-availability of zero-hours worker with a 2nd job = 14% of labour costs • Total labour costs= 117.8% of wage costs Those figures were extrapolated for the other 6 countries where zero-hour contracts are used extensively and exclusivity clauses are legal. Low and high estimates of % zero-hour workers prevented from getting a 2nd job were adopted, taking the UK figure (6%) as a central estimate. On that basis, the following were calculated for the 7 countries (thus accounting for most zero-hour workers in the EU): • number of zero-hour contract workers subject to exclusivity clauses; • number of those workers that would like a 2nd job but are prevented • Increase in number of hours worked by zero-hour contract workers getting a 2nd job after prohibition of exclusivity • Increase in number of hours that zero-hours workers with 2nd jobs are not available to main employer

	• Increase in reorganisation costs for main employers due to non-availability of zero-hours worker with a 2nd job • Increase in income for zero-hour contract workers getting a 2nd job after prohibition of exclusivity • Increase in tax revenue from zero-hour contract workers getting a 2nd job after prohibition of exclusivity • Increase in revenues for secondary employers of zero-hour contract workers after prohibition of exclusivity Eurostat provided data on • median hourly earnings (assumed low earners) • lower earner hourly labour costs • lower earner tax rates
Option 5.5: right to request new form of employment	
Population affected - firms	• Number of firms in countries that have both not yet included casual workers under the Directive and not adopted the options • Differentiate: SMEs + large companies
Population affected – workers	• Number of employees in countries that have not yet adopted this option for all workers
Cost of familiarisation	As for Options 5.1 and 5.2
Cost of providing statements	Zero. This option does not bring additional employees into the scope of the Directive
Costs of replying to requests	• Assumed that the main costs arise from atypical workers' requests (i.e. number of requests by employees on standard forms are minimal and in any case, many such workers already have a right) • Estimate number of atypical workers brought into the scope of the Directive and not yet having a right to request • Previous research shows that 53% of fixed-term workers in Europe would prefer a permanent contract[177] • Therefore, assume that 25% might ask in any one year (i.e. each individual asks once about every two years). • Unit cost of replying = same as cost of written statement • Total cost = number asking x unit cost
Option 5.9: maximum period of probation	
Population affected – firms	• Number of firms in countries that have not yet adopted the option • Differentiate: SMEs + large companies
Population affected – workers having new right	• Number of employees in countries that have not yet adopted this option
Population affected – workers benefiting in practice	• In practice, only new starters benefit • Assume labour turnover: 10-20% p.a. • High estimate: 20% of employees in countries that have not yet adopted this option • Low estimate: 10% of employees in countries that have not yet adopted this option
Cost of familiarisation	As for Options 5.1 and 5.2

[177] European Parliament (2016), Precarious Employment in Europe: Patterns, Trends and Policy Strategies.

Cost of providing statements	Zero. This option does not bring additional employees into the scope of the Directive
Scenarios	
A	• Baseline • Assumed that Member States make no revisions to current legislation (otherwise, the baseline is unpredictable – Member States may choose to include/exclude atypical workers, increase/reduce the deadline, etc. using their freedom within the parameters set by the Directive)
B	• Options 1, 2, 3,4 • Assume firms only need to familiarise once, therefore total cost of familiarisation is for Option 2 which affects all firms
C	• Options 1, 2, 3, 5 • Assume firms only need to familiarise once, therefore total cost of familiarisation is for Option 2 which affects all firms
D	• Options 2, 3, 4, 5 • Assume firms only need to familiarise once, therefore total cost of familiarisation is for Option 2 which affects all firms • Effects of Option 5.1 to 5.4 are estimated only for casual workers that are already into the scope of the Directive (due to non-application of exclusions by national legislation)
E	• Repeal • Assume that over time, the legislative frameworks of the 28 Member States will tend to diverge

Source: Own CSES PPMI research.

12. Annex 4 Comparison of costs to employers: SME v large firms

The table below provides an example of the **average cost paid in the first year** following the revision of the Directive by an SME and a large company under different scenarios.

Table 101 Comparison of costs to employers: SME v large firms

	SMEs	Large firms
Average fixed cost per enterprise	€ 53	€ 39
Cost per casual worker	€ 18 – € 153	€ 10 – € 45

Costs in first year

Staff turnover p.a.	10%	20%	10%	20%
Scenario (B) (Options 1 2 3 4)				
Average cost of an enterprise with 0 atypical workers	€ 53	€ 53	€ 39	€ 39
Average cost of an enterprise with 10 atypical workers	€ 71 – € 206	€ 89 – € 359	€ 49 – € 84	€ 59 – € 129
Average cost of an enterprise with 50 atypical workers	€ 143 – € 818	€ 233 – € 1 583	€ 89 – € 264	€ 139 – € 489
Average cost of an enterprise with 250 atypical workers	€ 503 – € 3 878	€ 953 – € 7 703	€ 289 – € 1 164	€ 539 – € 2 289
Scenario C (Options 1 2 3 4 5)				
Average cost of an enterprise with 0 atypical workers	€ 53	€ 53	€ 39	€ 39
Average cost of an enterprise with 10 atypical workers	€ 71 – € 206	€ 89 – € 359	€ 49 – € 84	€ 59 – € 129
Average cost of an enterprise with 50 atypical workers	€ 143 – € 818	€ 233 – € 1 583	€ 89 – € 264	€ 139 – € 489
Average cost of an enterprise with 250 atypical workers	€ 503 – € 3 878	€ 953 – € 7 703	€ 289 – € 1 164	€ 539 – € 2 289
Scenario D (Options 2 3 4 5)				
Average cost of an enterprise with 0 atypical workers	€ 53	€ 53	€ 39	€ 39
Average cost of an enterprise with 10 atypical workers	€ 53	€ 53	€ 39	€ 39
Average cost of an enterprise with 50 atypical workers	€ 53	€ 53	€ 39	€ 39
Average cost of an enterprise with 250 atypical workers	€ 53	€ 53	€ 39	€ 39

Costs in future years

Staff turnover p.a.	10%	20%	10%	20%
Scenario (B) (Options 1 2 3 4)				
Average cost of an enterprise with 0 atypical workers	€ 0	€ 0	€ 0	€ 0
Average cost of an enterprise with 10 atypical workers	€ 18 – € 153	€ 36 – € 306	€ 10 – € 45	€ 20 – € 90
Average cost of an enterprise with 50 atypical workers	€ 90 – € 765	€ 180 – € 1 530	€ 50 – € 225	€ 100 – € 450
Average cost of an enterprise with 250 atypical workers	€ 450 – € 3 825	€ 900 – € 7 650	€ 250 – € 1 125	€ 500 – € 2 250
Scenario C (Options 1 2 3 4 5)				
Average cost of an enterprise with 0 atypical workers	€ 0	€ 0	€ 0	€ 0
Average cost of an enterprise with 10 atypical workers	€ 18 – € 153	€ 36 – € 306	€ 10 – € 45	€ 20 – € 90
Average cost of an enterprise with 50 atypical workers	€ 90 – € 765	€ 180 – € 1 530	€ 50 – € 225	€ 100 – € 450
Average cost of an enterprise with 250 atypical workers	€ 450 – € 3 825	€ 900 – € 7 650	€ 250 – € 1 125	€ 500 – € 2 250
Scenario D (Options 2 3 4 5)				
Average cost of an enterprise with 0 atypical workers	€ 0	€ 0	€ 0	€ 0
Average cost of an enterprise with 10 atypical workers	€ 0	€ 0	€ 0	€ 0
Average cost of an enterprise with 50 atypical workers	€ 0	€ 0	€ 0	€ 0
Average cost of an enterprise with 250 atypical workers	€ 0	€ 0	€ 0	€ 0

Source: Own CSES PPMI research.

13. Annex 5 Approach used to estimate atypical workers

This section provides an overview of the methodological approach taken to calculate the different types of atypical workers. Since data are not available for most forms of employment analysed in this study, the overall population has been estimated using a variety of sources:

- Eurostat Labour Force Survey provided information on the number of employees and the number of people in employment broken down by country and size of the company
- 6th European Working Condition Survey which provides information on the percentage of workers working less than eight hours
- ILO statistics which present estimates on the percentage of domestic workers
- National level statistical databases
- If no information was available assumptions were made, supported as far as possible by the qualitative evidence collected during the study.

13.1. Domestic workers

There are no official statistics that provide the number of domestic workers broken down by country. Domestic work is very difficult to capture and is characterised by high share of informal work.[178] This number has been estimated using the following sources of information:

- Eurostat – Labour Force Survey (EU LFS) which provides information on the number of workers employed[179]
- The ILO carried out a study in 2013 which provides information on the Number of Domestic workers and on domestic workers as a percentage of total employment[180]
- Bottom-up country fiche data collected from various sources.

The total number of domestic workers is calculated by multiplying the number of workers by the share of domestic workers out of total employment. The number of domestic workers obtained has been triangulated with bottom-up data extracted through the country fiches from national level sources. The numbers estimated through both methods have been merged, meaning that the estimated number of domestic workers in each country shows the average point between the two methods. In case of missing data (e.g. Estonia and Sweden) the share of domestic workers across the

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[178] ETUC (2012), Decent Work for Domestic Workers. The state of labour rights, social protection and trade union initiatives in Europe.

[179] lfsa_egan2.

[180] ILO (2013), Domestic workers across the world: global and regional statistics and the extent of legal protection/International Labour Office, Appendix II: table A2.1.

EU-28 (provided in the ILO study) was multiplied with the total number of workers provided by the Labour Force Survey from Eurostat.

Main assumption related to this approach:

- Data, broken down by size of company, have not been calculated. It is assumed that all domestic workers are employed in SMEs (i.e. companies with less than 250 employees).

Affected population. The number of domestic workers affected by the extension of the Directive has been informed by the legal mapping carried out at national level. In Member States where domestic workers are already covered, the extension of the Directive was expected to have no impact. Conversely in Member States where domestic workers are not covered, it was assumed that an extension of the Directive would affect all the domestic workers. While domestic workers have different 'employment status,' it was assumed that an extension of the Directive would affect all domestic workers. This conservative approach allowed to identify the highest possible population affected by the Directive.

Finally, a number of countries reported that domestic workers are possibly covered by the Directive. For these countries a percentage of workers newly covered was assumed through a mix of evidence collected by experts, expert judgments and educated guesses.

13.2. Platform workers

Conventional statistical definitions do not capture many relevant aspects of this type of work. While traditional classifications usually focus on the employment status of the worker, digital platform work can include different forms of employment. Indeed, evidence collected by national researchers showed that many platform workers are legitimately self-employed, i.e. fall outside the scope of the Directive. So far, it is far from clear how digital platform as 'employment status' can be captured in this framework (i.e. assumptions are required).

Given the nature of platform activities, meaningful measures should take into account employment levels at a single point in time or correspond to an annual average, rather than capturing whether this type of work has been carried out at any time during, for example, the previous year. The reason is that there is a high risk of double-counting. Currently only a small number of surveys has tried to estimate the number of platform workers.

For this study the percentage of platform workers has been informed by a number of studies carried out both in the US and in Europe. Main results extracted from the US literature on platform work:

- Katz and Krueger (2016) calculate that 0.5% of workers in 2015 were providing services through online intermediaries, such as Uber and Task Rabbit.[181]
- Harris and Krueger (2015) estimated the number of platform workers based on the frequency of Google searches for terms related to online intermediaries. According to this study 0.4% of the employed work with an online intermediary.

[181] The authors conducted a version of the Contingent Worker Survey (CWS) to track alternative and nonstandard work arrangements using the RAND American Life Panel. This survey is the main survey used by the US Labour of Statistics for tracking alternative and non-standard work. The authors report that the estimate required many caveats.

- Farrell and Greig (2016) estimate 0.6% of the working age population (representing approximately 0.4% of the workforce). The method used is based on the frequency of bank deposits from online work platforms.

A small number of available studies on EU-wide surveys has also been analysed:

- The CIDP (2017) interviewed a nationally representative sample of 5 019 UK adults aged 18 to 70 in the UK. A total of 4% of employed (excluding pure selling activities, e.g. eBay and Airbnb) reported to have used online platforms in the previous 12 months.[182] Only 25% of this 4% reported that this was their main job, and 58% reported that they are permanent employees and see the gig-economy as an income supplement. If one were to assume the 25% figure as a basis for calculating something approximating a 'gig employment status,' then one would arrive at a figure of 1% of the employed, i.e. 1% of employed people in the UK had an employment status of gig employed at some time in 2016.

- Huws et al. (2016) found that between 5% and 9% of the online population were engaged in some type of crowd work in Austria, Germany, the Netherlands, Sweden and the UK in the first two quarters of 2016. According to the survey this accounted for more than half of all income for 2.4% of the respondents in Austria, 2.6% in Germany, 1.7% in the Netherlands and 2.8% both in Sweden and the UK.

- McKinsey Global Institute conducted an online survey in the USA and a few EU countries[183] (and extrapolated the results to EU-15). According to this study 15% of independent earners used online platforms, i.e. corresponding to approximately 3%-5% of the working age population.[184]

The number of platform workers is calculated by multiplying the share of platform workers with the number of workers employed (provided by Eurostat in the Labour Force Survey).[185] Based on the evidence collected from US and EU-level sources, it can be reasonably assumed that the number of platform workers at a single point of time varies between 0.5% (lower bound) and 1% (upper bound) for most European countries.[186]

This approach implies strong assumptions:

- The same use of online platforms between the US and Europe

- Each Member State has the same share of platform workers out of the total number of workers (i.e. use of technologies etc. across countries).

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[182] Given the nature of the work (short weekly hours, short employment duration, and usually very marginal activities), this figure is likely to be in excess compared to the figures recorded at a single point of time, i.e. they cannot be compared.
[183] UK, France, Sweden, Germany and Spain.
[184] This figure cannot be compared to the single point of time method used by Katz and Krueger (2016), which is the most appropriate one. However According to Eurofound this figure is 'highly unlikely' given that it would amount to more than 1% of the employment population measured at a single point of time
[185] lfsa_egan2.
[186] This assumption is supported by Eurofound (2017). Aspects of nonstandard employment in Europe. The study assesses the comparability of the patchy evidence provided by international studies and surveys on platform work.

Affected population. The estimation of the affected population was based on the use of legal mapping, assumptions and evidence collected from the employer survey. The legal mapping allowed to identify the Member States where platform workers are currently not covered by the Directive. This was informed by the REFIT evaluation and updated by the National experts through their national research.

The second step required to make a clear assumptions in order to determine the share of platform workers covered by the Directive.[187] It was assumed that the extension of the Directive would have an impact only on platform workers working less than eight hours a week. Based on this assumption the share of platform workers working less than eight hours was applied. This evidence was collected through the employer survey carried out in the context of this study.

13.3. Voucher-based workers

Voucher-based work, i.e. a form of employment where an employer acquires a voucher from a third party to be used as payment for a service from a worker, rather than cash, is becoming a more and more established feature of European labour markets. However, quantitative data on voucher work are very difficult to collect. This is partly due to the different legal frameworks and different modes of operations applied in each Member State. Therefore statistical data in this area should be assessed very carefully and considered only as an indication of the use of vouchers in the country.

The study identifies voucher-based workers in eight countries, namely Austria, Belgium, Croatia, France, Greece, Lithuania, Netherlands and Slovenia. Italy used to make extensive use of voucher-base workers (latest statistics estimated more than one million people working through vouchers), however this form of employment has been recently banned.

For each country bottom-up data/estimates have been collected. Data have been provided either by national level experts or by the ICF 2016 study entitled 'Social Pillar – Quantifying atypical employment in the EU Member States,' which provides national level information or estimates on the number of voucher-based workers across Europe. Indeed, the collected data show a wide range of limits, with different units of analysis and definitions. With regard to the first issue, the unit of analysis considered was the number of workers. Where the number of voucher-contracts were provided (e.g. Croatia), one worker per contract was considered. Indeed, this assumption is likely to clearly overestimate the number of workers in the country. However, it also allows to consider the highest possible number of voucher-based workers affected by the extension of the Directive. The opportunity to provide top-down estimations was also considered: however the substantial differences of the legal frameworks and implementation in each Member States led to the decision to use a bottom-up approach.

The estimated number of voucher-based workers was split between SMEs and large companies using the European Working Condition Survey.[188]

Affected population. The affected population was estimated through the legal mapping, which allowed to identify the Member States where voucher-based workers are currently not covered by the Directive.

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[187] As stated above, platform workers could legitimately be self-employed and therefore fall outside the scope of the Directive.

[188] Q16b of the survey: 'How many employees in total work in your [IF Q15a ANSWERED: company or organisation] [IF Q15b ANSWERED: business]?'

13.4. Employees working less than one month

Employees working less than month include a variety of workers hired through a range of temporary contracts. Official statistics for this category of workers are available from the EU LFS from Eurostat, which provides the number of temporary workers disaggregated by country and duration of the contract.[189] Data gaps for 2016 have been identified in seven countries (AT, CY, DE, LT, LV, MT and RO). In these countries the population has been estimated by multiplying the number of employees in each Member State with the share of employees working less than one month in EU-28.

In addition, data have been broken down by size of company using the 6th European Working Condition Survey (EWCS) carried out by Eurofound, which provides information on the share of SMEs and large companies by country.[190]

Affected population. The affected population was estimated through the legal mapping, which allowed to identify the Member States where employees working less than one month are currently not covered by the Directive.

13.5. Employees working no more than 8 hours a week

Employees working no more than 8 hours per week tend not to be identified separately in labour market statistics. Therefore it has been necessary to estimate the number of workers falling under this category. This was done using two main sources of information: (i) the EU Labour Force Survey from Eurostat and (ii) the 6th EWCS, which collects microdata on the number of hours work per week by employees in their main job.[191] The share of people working between one and seven hours has been multiplied with the total number of employees broken down by size class provided by Eurostat.

Affected population. The affected population was estimated through the legal mapping, which allowed to identify the Member States where employees working less than one month are currently not covered by the Directive.

13.6. Casual workers

The heterogeneous and often marginal nature of this form of employment makes it difficult to collect robust and consistent data across countries. The availability of data is limited, usually difficult to compare and not always based on reliable data collection methodologies. Therefore, the on-call contracts (including zero-hour contracts) and intermittent workers have been aggregated, providing estimates on the total number of workers with an employment relationship of a casual nature.

The approach used to determine the number of casual workers is based on the following steps:

- The first step involved mapping Member States where casual nature contracts are allowed. This evidence was collected through desk research and interviews with national stakeholders.

[189]Temporary employees by duration of the contract (1000), lfsa_etgadc

[190] Q16b of the questionnaire: "How many employees in total work in your [IF Q15a ANSWERED: company or organisation] [IF Q15b ANSWERED: business]?"

[191] Q24 of the questionnaire: "How many hours do you usually work per week in your main paid job?

Subsequently, national level statistics were scrutinised to identify available information on the number of casual workers. The main source of information was the national level statistics collected in the ICF national level reports quantifying atypical employment in the EU Member States.[192]

Some countries provided information in terms of number of contracts (e.g. SK) while other countries provided the number of people in working relationships of casual nature. This required to assume that each contract corresponded to a different person, i.e. if a country reported 300 000 contracts signed we assumed that it corresponded to 300 000 people. Given the nature of the work, typically 'n-demand,' this is likely to overestimate the number of workers with such type of working relationship. However it allows to determine the highest possible number of casual workers in Europe.

As for voucher-based workers, comparable data on this form of employment are particularly difficult to collect. Casual workers are supported by different rules, definitions. Therefore the numbers collected and analysed during the study should be regarded as indicative only.

Affected population. The affected population was estimated through the legal mapping, which allowed to identify the Member States where employees working less than one month are currently not covered by the Directive.

[192] ICF (2016) 'Social Pillar – Quantifying atypical employment in the EU Member States,' unpublished.

14. ANNEX 6 Costs of replying to requests for new forms of employment

The interaction between this right and the current coverage of casual/atypical workers under the Directive in each Member State is complex as different situations exist in the Member States:

a) The right to request more standard work has been introduced and casual workers are covered.
b) The right to a request more standard work has been introduced, but casual workers are excluded.
c) The right to request more standard work has not been introduced, but casual workers exist in law and would directly benefit.
d) The right to request more standard work has not been introduced and casual workers are not recognised in law and therefore require Option 1 in order to be covered by this right.
e) The right to request more standard work has not been introduced, but (some types of) casual work is prohibited.
f) It is assumed that atypical workers in country situations: b), c) and d) would benefit from a revision of the Directive. These 19 countries are BE, BG, CZ, DE, DK, EE, ES, FI, FR, HU, IE, IT, MT, PL, PT, RO, SE, SK, UK.

Given that there is a risk of overlap between i) employees working less than 8 hours per week; ii) employees with contract duration of <1 month; and iii) casual workers, we focus on the right to move from <8 hours per week or casual work into standard (i.e. not <1 month).

The total number of workers in these situations in those countries = 7.6 m.

It is assumed that 25% might ask in any one year.

Total number of requests per year = 1.9 m

Unit cost of written statements (from REFIT):

- Average: EUR 47.9
- Upper bound: EUR 218.7
- Lower bound: EUR 17.1

Total administrative cost of responding to requests per year:

- **Average: EUR 91m**
- **Upper bound: EUR 416m**
- **Lower bound: EUR 32m**

The employer survey found that 38% of employers systematically respond to a right to request. The rest did not (24%) or not systematically (26%) or did not know (12%). It is therefore assumed that this is not a 'business-as-usual cost' for up to 62% of employers. (It is also assumed that there is no difference between SMEs and large firms in their propensity to respond systematically).

Total administrative burden of responding to requests per year:

- **Average: EUR 56m**
- **Upper bound: EUR 258m**
- **Lower bound: EUR 20m**

15. ANNEX 7 The SME test – summary of results

(1) Preliminary assessment of businesses likely to be affected	
The revision of the Directive will affect all employers. It will particularly affect all employers of employees in the following categories (unless national legislation has brought them into the scope of the Directive): - Employees working <8 hours per week - Employees with contract duration <1 month - Workers of a casual/specific nature Such employers are no more likely to be SMEs than large enterprises. Evidence from the UK suggests that large firms are proportionately more likely than SMEs to employ one form of casual worker – zero-hour contract workers.[193] Sectors that have a prevalence of casual workers are most likely to be affected, e.g. hotel, accommodation & restaurants, construction, agriculture.	
(2) Consultation with SME representatives	
Interviews of employer representatives were undertaken in each of the 28 Member States. Representatives were invited to comment on the impact on SMEs. A survey of employers attracted 347 responses from a diversity of sectors. Of these, 79% were private firms. Employers were of different sizes: - <250 staff: 70% of respondents - 50-249 staff: 37% - <50 staff: 36% - 10-49 staff: 20% - <10 staff: 16%.	Section 1.4 Annex 2 Annex 3
(3) Measurement of the impact on SMEs	

[193] Department for Business, Innovation & Skills (2014), Final Impact Assessment: Banning exclusivity clauses in zero-hours contracts.

All employers will incur costs: fixed costs of familiarisation and variable costs related to the number of employees that would be covered by an extension of the Directive. SMEs will incur lower average fixed costs than large firms (EUR 30.20 versus EUR 42.50 on average). The total one-off cost of familiarisation for SMEs is anticipated to be EUR 852m. This will be spread evenly across all SMES in the EU. SMEs will incur higher costs per atypical worker than large firms: EUR 18-EUR 153 versus EUR 10-45. This reflects in part the economies of scale of larger firms. A majority of affected firms will face additional indirect costs related to adapting the business, e.g. HR management time, legal advice, staff training. Such employers are no more likely to be SMEs than large enterprises. There is evidence that the burden of a reduced timescale for providing written statements would not be any greater for SMEs than for large enterprises. The revised Directive would particularly help SMEs.	See: Section 5.3.3 Section 5.5.4
4) Assess alternative options and mitigating measures	
The Commission will encourage the relevant Member States to adopt mitigating measures (to be implemented in light of specific national legislative requirements): - Specific information campaigns or user guides, training and dedicated helpdesks/offices - Simplification initiatives: notably the development of standard templates for written statements, available for employers to download online.	

16. ANNEX 8 Key differences across the surveyed countries – summary of results

The section below presents an analysis of employer survey reponses by Member State. The analysis shows some differences between the surveyed countries[194] with regards to various aspects of the proposed changes to the Directive.

Option1. Provision of the WS to all workers

Provision of the WS to all workers and the timing of the provision. German employers (73%) claimed to provide all their employees with the required employment information in writing less often than employers in the UK, IT, SK[195], PL (83-88%). While analysing the timing of the written statement, we observe that the significant majority of employers in Slovakia (71%) claimed to provide key employment information in writing on the first day of employment or before. Consequently, Slovakian employers were least likely to claim that they would experience additional costs due to the obligation to provide employment information on the 1st days of employment (13% of respondents claimed) and within 15 days of the start date (7%). Meanwhile employers in Poland were the most likely to claim that they will experience high additional costs if they were to provide written employment information both on the 1st day of employment (64% of Polish respondents) and within 15 days of the start of employment (67%).

Provision of the WS to employees with less than 1-month contract. Polish and Italian employers were equally likely to claim that they provide a written statement to employees with less than 1-month contracts (93%), while only 70% of respondents in the UK were claiming to provide it to such employees.

Provision of the WS to casual workers. The survey shows that 84-85% of employers from Italy, Poland and the UK claimed to provide written statements to on-demand workers, while only 74% German employers claimed that. German employers were also least likely to claim to provide a written statement to intermittent workers – only 68% of respondents checked 'yes.'

Option 5. New rights for casual workers

Reference hours. In terms of reference hours, survey analysis shows that the better situation is in Italy and the UK – respectively 49% and 37% of respondents claimed that they include reference hours in contracts with casual workers. In contrast, Polish (24%), German (20%) and Slovakian (19%) employers were less likely to claim that they include clauses about reference hours. According to the survey respondents, the provision of the reference hours for casual workers had the strongest effects, both positive and negative, in Poland. Around 73% of surveyed Polish employers claimed that they benefited to a great extent from the provision of reference hours for casual workers (in comparison, these numbers were significantly lower in IT (36%), DE (37%) and UK (39%)). Interestingly, Polish respondents were the most likely to claim that they incurred high additional

[194] The UK, Italy, Germany, Poland and Slovakia.

[195] A lower level of confidence should be placed on Slovakian responses due to the much smaller sample size of responses received, compared to the other four countries.

administrative costs because of the provision of a reference period for casual workers (56%). In addition, Polish employers (54%) were the most likely to claim that the latter changes increased their labour costs and reduced workforce flexibility to a large extent (in comparison to 26% in DE, 23% in IT and 35% in UK). Consequently, Polish respondents were more likely to claim that the provision of reference hours affected their decision to recruit fewer casual workers (50% of respondents).

Minimum advance notice period. In terms of minimum advance notice period, survey results show that German employers were the least likely to claim that they provide their casual workers with this right – only 16% of respondents claimed that. On the other hand, German employers were the most likely to think that obligation to provide this right will not affect them in any way regarding the recruitment of workers – 38% of respondents claimed that this obligation will make no difference in deciding whether to recruit more or less causal workers. As in case of the reference hours, the benefits and costs of the provision of the minimum advance notice were the most visible in Poland according the surveyed employers. 68 % of them indicated that they had benefited to a great extent from this provision. On the other hand, 50% of Polish respondents also indicated that they had incurred high administrative costs as a result. This number was also high in UK, where 43% of respondents claimed that they incurred high additional administrative costs because of the provision of a minimum advance notice period. Similarly, UK (51%) and Polish (40%) respondents were the most likely to claim that the latter provision had negative effects on the workforce flexibility (in comparison to 27% in DE, 25% in IT and 14% in SK). In addition, 45% of Polish respondents indicated that the provision of the minimum advance notice period had increased their labour costs.

Exclusivity clauses. Employers in IT and UK (both 25%) seem to include the exclusivity clauses in the contracts of their casual employees most (compared to 20% in DE, 19% in PL, and14% in SK). As regards the possible impact of the prohibition of exclusivity clauses, employers from PL and UK claim to experience most impact if this happened – only 7% of Polish and 8% of the UK employers claim it would make no difference to them (compared to 20% in SK, 17% in DE, and 17% in IT).

Employers replying to casual workers requesting more stable work or a change froma short contract to a longer contract. Slovakian employers (14%) seem to reply least to such requests, compared to 23% in both Germany and Poland, followed by Italy (31%) and UK (32%). Slovakia and Poland would be most affected if they had to reply in writing to such requests in terms of the influence this would have on the recruitment of casual workers. Only 20% in SK, followed by 35% in PL, of employers claimed that the need to reply in writing would make no difference on casual worker recruitment, compared to 43% in DE, 48% in IT and 52% in UK.

Appropriate maximum length of probation period. Italian employers suggested <1 month (35%) and 1-3 months (34%) as appropriate periods. German employers stated 3–6 months (41%) and 1–3 months (38%). The majority of Polish employers (56%) claimed 1-3 months was appropriate, mirrored by Slovakian employers (43%) and UK employers (49%). To sum up, most employers suggested a 1–3 months probation period as appropriate, with some different opinions in Germany in favour of a longer period and Italy, in favour of a shorter period.

17. ANNEX 9 Note on data and calculations

In the main body of the report, various data are provided on the number of workers with atypical employment contracts, the number of workers that might be covered by an extension of the Directive, the likely costs associated with a revision of the Directive and the distribution of workers and impacts across Member States. By necessity, the main body of the report provides summary data. In this annex, we therefore provide more detailed data and, where necessary, explanations on the methods and assumptions used to make certain calculations.

17.1. Atypical workers as a proportion of total employment

The table below shows the percentage of atypical workers out of the total employment population. The estimated number of atypical workers per country has been divided by the total employment population aged 15-64 years provided by Eurostat. Given the assumptions used to estimate the different forms of atypical employment, the percentages provided should be regarded as indicative.

Table 102 Percentage of atypical workers out of the total employment population

Member State	Duration of <1 month	<8 hours per week	Casual workers		Voucher-based workers
			Minimum	Maximum	
AT	*0.6%	3.6%	8.3%	8.3%	0.2%
BE	2.0%	1.4%	0.1%	0.1%	2.9%
BG	0.3%	0.6%	*2.1%	*2.5%	
CY	*0.6%	2.8%	0.0%	0.0%	
CZ	0.0%	0.8%	0.6%	2.6%	
DE	*0.6%	1.7%	0.8%	0.8%	
DK	0.5%	4.3%	*1.8%	*2.2%	
EE	0.3%	1.6%	*1.9%	*2.3%	
EL	0.2%	1.6%	*2.6%	*3.1%	1.9%
ES	1.0%	1.4%	2.2%	2.2%	
FI	0.9%	3.4%	3.5%	3.5%	
FR	2.0%	2.0%	0.4%	0.0%	5.0%
HR	0.9%	1.9%	0.1%	0.1%	32.2%
HU	0.5%	1.7%	2.8%	2.8%	
IE	0.1%	3.5%	**25.6%	**25.6%	
IT	0.4%	1.8%	0.5%	0.5%	
LT	*0.6%	2.3%			1.1%
LU	0.7%	0.6%			
LV	*0.6%	1.1%			
MT	*0.6%	3.7%	0.0%	0.0%	
NL	0.1%	3.4%	4.6%	9.4%	1.2%
PL	0.5%	1.9%			
PT	1.3%	1.0%	*2.1%	*2.5%	
RO	*0.5%	0.7%	6.3%	6.3%	
SE	2.0%	2.4%	2.8%	2.8%	
SI	0.3%	2.1%	4.0%	4.0%	0.7%
SK	0.7%	0.7%	**16.8%	**16.8%	
UK	0.1%	1.4%	1.7%	4.7%	

Source: own calculations based on Eurostat data.

* estimated using EU average.

** risk of over-estimation.

17.2. Distribution of newly covered workers across EU-28

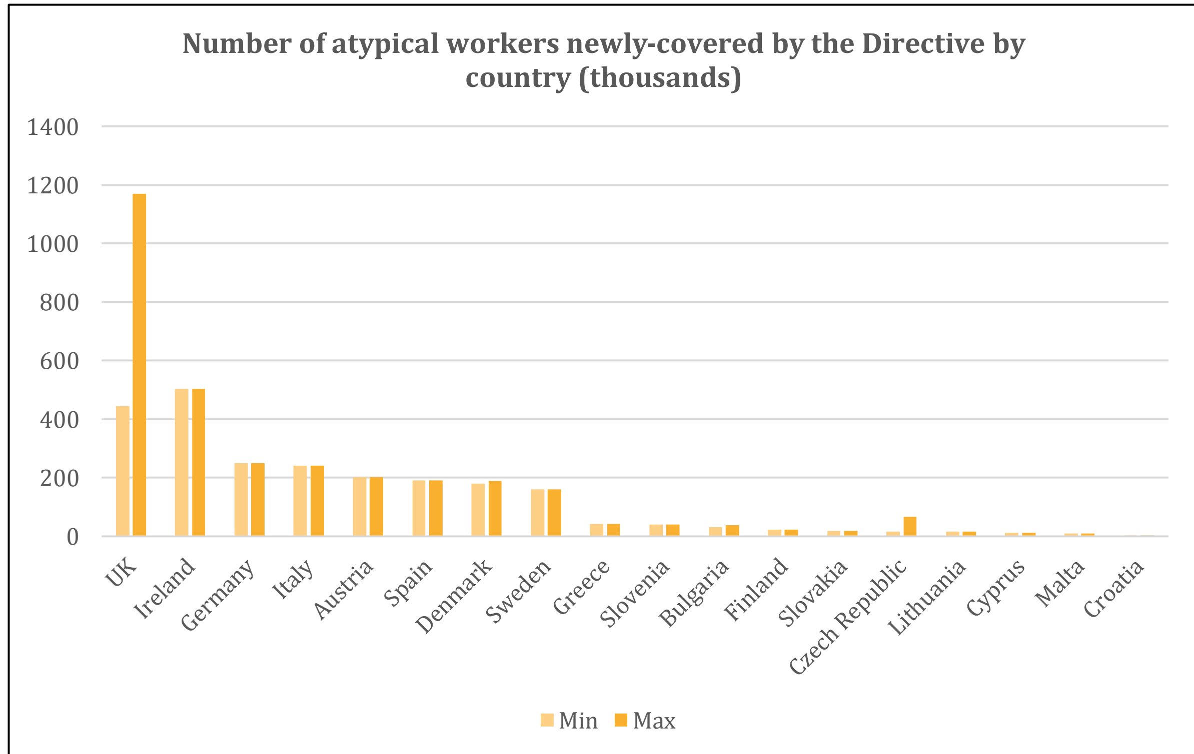
It is difficult to determine the exact incidence of 'atypical work,' as little information exists on the prevalence of these types of jobs. At the same time the incidence of non-standard forms of employment varies considerably across Member States. According to Eurofound, three main group of countries can be identified:[196]

- Member States where non-standard work is prevalent, well-embedded and has been regulated for some time – such as Austria, Germany and the United Kingdom
- Member States where recent changes have been made to allow for non-standard work to be carried out – these include Italy, where the legal framework was changed in 2003 to allow for more non-standard forms of work;
- Member States where full-time, open-ended employment accounts for the vast majority of work – such as Bulgaria, the Czech Republic, Estonia and Latvia.

If the scope of the Directive were to be extended the total number of atypical workers newly covered is estimated between 2.4 m and 3.2 m. The impact is expected to vary across countries. The figure below provides a breakdown of the number of workers affected by country. This information is based on assumptions and therefore the numbers provided in this section should be considered as indicative.

[196] https://www.eurofound.europa.eu/observatories/eurwork/comparative-information/flexible-forms-of-work-very-atypical-contractual-arrangements

Figure 26 Number of atypical workers newly covered by the Directive

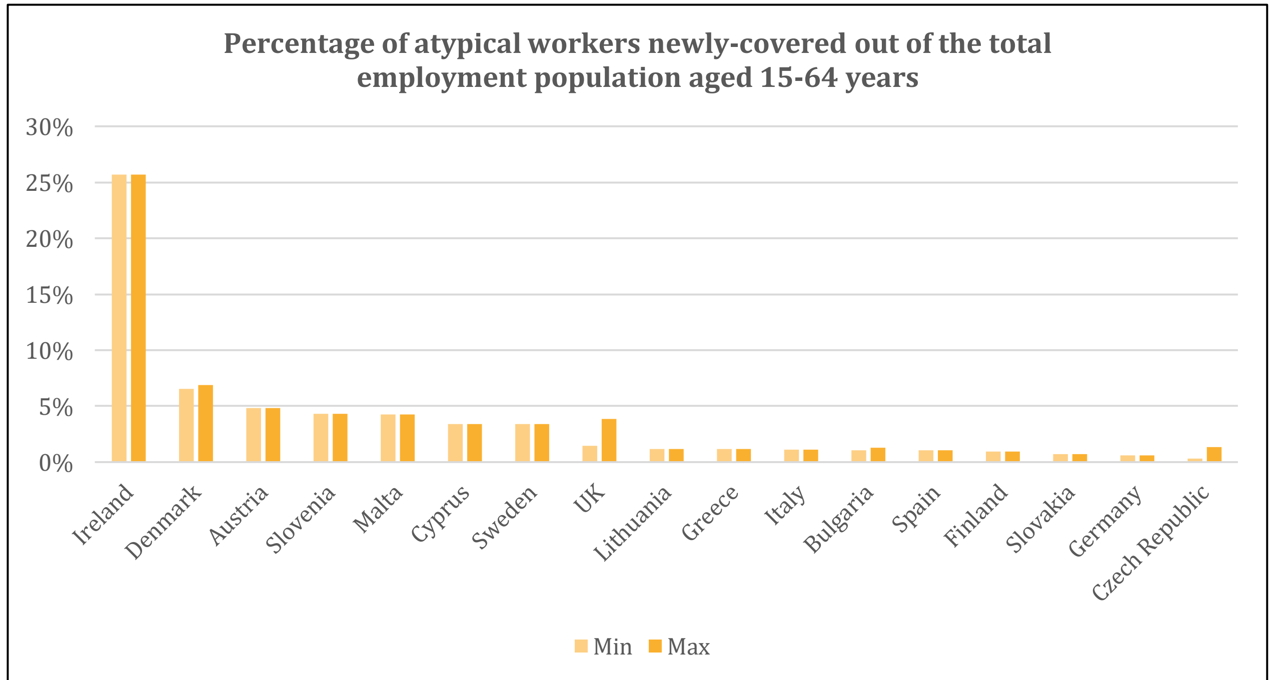


Source: Own CSES PPMI research.

In absolute terms, the highest number of workers affected are based in Ireland and the UK, representing approximately between 40% and 50% of the affected population. People mostly affected in both countries are casual workers, in particular those working with 'If-and-when' contracts in Ireland and with zero-hours contracts in the UK. They are followed by Germany and Italy, where it is estimated that approximately 250 000 people per country working on atypical forms of employment are likely to be affected. Conversely, in 10 countries the overall impact of an extension of the Directive is expected to be 0, namely BE, EE, FR, HU, LU, LV, NL, PL, PT, RO.

However, the overall impact at country level can be better analysed by looking at the number of atypical workers newly affected as a percentage of the employment population. An overview is presented in the figure below.

Figure 27 Percentage of atypical workers newly covered



Source: Own CSES PPMI research.

The most relevant impact is expected to occur in Ireland, where almost onefourth of the workers are likely to be affected by the extension of the Directive. In Denmark the number of workers likely to be affected is between 6.5% and 7% of the employment population aged between 15 and 64 years. The estimations show that the vast majority of this population is represented by workers working less than eight hours per week. In Germany, Italy and the UK despite showing an important impact in absolute terms, the number of newly covered workers only represents a small proportion of the total employment population.

17.3. Calculation of average estimated cost of familiarisation

The average unit cost of familiarisation was estimated using as a reference the data from another impact assessment estimating a similar cost.[197] In this study, the price was calculated by size of company as well as the role of the staff and includes an additional 25% for overheads. The price provided by ICF was updated to 2016 using the labour cost index from Eurostat. The total price for an enterprise to familiarise itself with the EU legislation is provided in the table below.

Table 103 Average costs of familiarisation by Member State

Member State	Price to familiarise with the legislation per enterprise (€)	
	SMEs	Large enterprises
AT	74.4	53.6
BE	69.2	49.0
BG	7.2	5.5
CY	34.1	26.5
CZ	17.8	12.9
DE	68.3	45.6
DK	76.2	51.0
EE	14.3	9.8
EL	25.7	18.3
ES	44.6	33.7
FI	62.6	43.9
FR	65.0	47.2
HR	26.9	20.7
HU	19.3	14.0
IE	62.6	43.0
IT	73.2	56.3
LT	11.1	8.0
LU	84.1	58.0
LV	12.8	8.0
MT	24.6	16.5
NL	54.4	35.3
PL	20.6	15.2
PT	33.0	25.5
RO	22.2	16.3
SE	74.3	52.5
SI	27.8	18.5
SK	11.8	8.7
UK	72.0	50.8

Source: Own CSES and PPMI calculations based on ICF (2014).

[197] ICF (2014) Study measuring the impacts of various possible changes to EU working time rules in the context of the Review of the Directive 2003/88/EC.

We use a weighted average to calculate the average cost to familiarise with the legislation in SMEs and large enterprises. The cost to familiarise with the legislation per enterprise presented in the table above is multiplied by the number of SMEs and large enterprises in each Member State (see table below) and divided by the EU-28 totals.[198] The result provides the estimated cost of familiarisation for SMEs and large companies, respectively EUR 53 and EUR 39.

Table 104 Number of SMEs and large enterprises by Member State

Member State	Number of enterprises	
	SMEs	Large enterprises
AT	321 243	1 082
BE	601 252	901
BG	325 550	669
CY	48 265	64
CZ	999 490	1 558
DE	2 396 998	11 354
DK	210 048	678
EE	67 952	172
EL	698 272	388
ES	2 462 621	2 919
FI	228 515	581
FR	2 904 618	4 196
HR	146 256	381
HU	535 756	854
IE	232 726	448
IT	3 679 965	3 162
LT	186 131	337
LU	31 780	146
LV	109 442	200
MT	26 008	51
NL	1 090 703	1 540
PL	1 603 368	3 191
PT	806 396	787
RO	456 480	1 642
SE	685 459	974
SI	134 515	212
SK	428 993	531
UK	1 934 517	6 430
EU28	23 353 319	45 448

Source: Eurostat.

[198] Assuming that one person in each company is responsible for reviewing the new legislation and transferring this information to others. This assumption allows to change the unit of analysis of the price variable: the number of workers responsible for familiarising themselves with the legislation corresponds to the number of companies affected.

17.4. Calculation of cost of issuing written statements

This section estimates the cost for employers of complying with the provisions of the Directive. In particular it focuses on the cost of issuing a written statement and transmitting it to the concerned employees.

The approach used to estimate the quantity and price variables as well as the total cost is presented below.

17.4.1. Number of workers affected

A detailed description of how workers have been estimated under each category of employment has been provided elswhere in the report. Overall, the total number of workers cannot be estimated by simply aggregating the number of workers estimated under each category because of the risk of double-counting. It is very likely that some workers fall under more than one category, e.g. a platform worker can also work less than eight hours a week.

As a result, the total number of workers newly covered by the Directive has been estimated using the following assumptions. These assumptions are partly informed by the evidence collected during the study and partly based on reasonable assumptions:

- All platform workers are assumed to work less than eight hours.
- As reported in Eurofound (2017), casual workers and voucher-based workers show clear overlaps. This is likely to be related to the intermittent and on-call nature of the work provided. To calculate the overall affected population of this option, it is assumed that 50% of the voucher-based workers are also included under the category of casual workers.
- Given the nature of their work, domestic workers are likely to fall under the following categories: (i) casual workers, (iii) voucher-based workers and (iii) employees with a contract duration of less than one month. As a result, it is assumed that all the domestic workers affected by this option are already included these three categories.
- In order to have a conservative approach, the three biggest categories of atypical workers, i.e. employees working less than eight hours, employees with a contract duration of less than one month and casual workers, are assumed to be mutually exclusive.

Based on these assumptions, the total number of workers newly covered by the Directive is between 2.4 m and 3.2 m.

17.4.2. Method of calculating unit costs of written statements

The cost of issuing a written statement has been extrapolated from the REFIT study. The REFIT study assessed this cost in three steps. The first two steps showed two different methods used to calculate the cost of issuing a written statement, while the third step combined the two assessment methods.

The cost of issuing a written statement was calculated as follows:

- Assessed as average time per contract
- Assessed as annual fixed costs

The first method was based on the estimated time taken to issue a written statement, as reported by an employer survey undertaken by the REFIT study. This estimate was then multiplied by the number of statements issued by employers each year. This provided an estimate of the time spent on complying with the Directive for each type of contract per year. This time estimate was then multiplied by the hourly wage in the respective Member State using data from Eurostat on average wages in each Member State. This cost per company was then divided by the number of employed persons in the company to get the cost per employee. The second method used by the REFIT study reported the average costs of companies considering the cost of complying with the obligation of the Directive as annual fixed cost. This information was collected from a panel survey carried out in eight Member States.

The third step of the REFIT study consisted of merging the two types of estimates into one overall cost assessment to include a larger and less biased share of the survey population.

The table below provides an overview of the average annual cost per contract in EURO estimated with the two methods.

Table 105 Average annual cost per contract by company size (EUR)

	Method 1 (average time per contract)	Method 2 (annual fixed costs)	Merged approach
Micro-enterprises	22	198	44
Small enterprises	13	156	57
Medium enterprises	18	127	57
Large enterprises	10	45	25

Source: Own CSES PPMI research.

In the current study, SMEs are defined as companies with a number of workers between 1 and 249 and differ from the data reported in the REFIT study. As a result, it was necessary to weight the data collected in the REFIT study to estimate the average annual cost for SMEs and large companies.

The cost used are provided in EURO in the table below.

Table 106 Weighted average annual cost per contract (EUR)

	Method 1 (average time per contract)	Method 2 (annual fixed costs)	Merged approach
SMEs	18.1	153.5	52
Large enterprises	10	45	25
Weighted average	17.1	128.7	47.9

Source: Own CSES PPMI research.

17.4.3. Method of calculating total costs of written statements

The cost of issuing a written statement is included under option 1, which aims to extend the scope of the Directive. Under this option, employers will have to provide a written statement for each existing worker currently not covered by the Directive and for each new hire. In this study, the first group of workers are considered one-off costs while the latter are calculated as recurring costs.

The one-off cost is calculated by multiplying the total number of atypical workers not covered by the Directive with the price estimated for each written statement. Based on the assumptions listed above, the total number of workers that would be newly covered by the Directive is estimated between 2.4 m and 3.2 m. This is multiplied by the weighted average of the merged approach, i.e. EUR 47.9.

Recurring costs will be faced by employers and depend on the number of workers hired every year. The recurring costs have been calculated assuming different percentages of staff turnover per year: the table below provides the annual estimated cost for both scenarios. The costs are estimated in millions of EUR.

Table 107 Annual costs of issuing a written statement

	Annual staff turnover	
	10%	**20%**
Annual costs	€11.4m - €15.2m	€22.7m - €30.3m

Source: Own CSES PPMI research.

17.4.4. Comparison of costs for SMEs and large enterprises

The table below provides an estimate of the average administrative costs that might be borne by SMEs and large enterprises, following the revision of the Directive (all options). These costs relate to the time taken for familiarisation with the requirements of a new Directive and cost of providing written statements.

Table 108 Average costs of Scenario C

	SMEs	Large enterprises
Average fixed cost per enterprise (familiarisation with a revised Directive)	€ 53	€ 39
Cost per casual worker newly covered by the Directive (issuing written statements)	€ 18–€ 153	€ 10–€ 45

Source: Own CSES PPMI research.

Based on these costs, the table below estimates that likely one-off costs that would be borne by firms of different sizes, depending on the number of atypical workers employed. The costs comprise the cost of familiarisation + the cost of issuing written statements for existing staff that would be newly covered by a revised Directive.

Table 109 One-off costs of Scenario C

	SMEs	Large enterprises
Average cost for an enterprise with 0 atypical workers newly covered	€ 53	€ 39
Average cost for an enterprise with 10 atypical workers newly covered	€ 233–€ 1 548	€ 139–€ 460
Average cost for an enterprise with 50 atypical workers newly covered	€ 953–€ 7 668	€ 539 –€ 2 260
Average cost for an enterprise with 250 atypical workers newly covered	€ 4 553–€ 38 268	€ 2 539–€ 11 260

Source: Own CSES PPMI research.

In addition to the one-off costs enterprises would face ongoing annual costs. Such costs are comprised of the cost of issuing written statements to new atypical workers as and when they are recruited. The table below presents an estimate of ongoing costs based on staff turnover of 10% or 20% per year.

Table 110 One-off costs of Scenario C

	SMEs	SMEs	Large enterprises	Large enterprises
Average cost for an enterprise with 0 atypical workers newly covered	€ 0	€ 0	€ 0	€ 0
Average cost for an enterprise with 10 atypical workers newly covered	€ 18–€ 153	€ 36 - € 306	€ 10 - € 45	€ 20€ 90
Average cost for an enterprise with 50 atypical workers newly covered	€ 90–€ 765	€ 180 - € 1 530	€ 50 - € 225	€ 100–€ 450
Average cost for an enterprise with 250 atypical workers newly covered	€ 450–€ 3 825	€ 900–€ 7 650	€ 250–€ 1 125	€ 500–€ 2 250

Source:Own CSES PPMI research.

18. ANNEX 10 References

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Eurostat

EUROFOUND, 6th European Working Condition Survey which provides information on the percentage of workers working less than eight hours (microdata)

ILO database

National level statistical database.

19. ANNEX 11 Abbreviations used

List of abbreviations:

AVRAG	Arbeitsvertragsrechts-Anpassungsgesetz
BUSINESSEUROPE	Union of Industrial and Employers' Confederations of Europe
CEEP	European Centre of Employers and Enterprises providing Public Services
CJEU	Court of Justice of the European Union
DA	Dansk Arbejdsgiverforening (Confederation of Danish Employers)
EEC	European Economic Community
EFSI	European Federation for Services to Individuals
ERA-1	Slovenia's new Employment Relationship Act
ETUC	European Trade Union Confederation
EU	European Union
EU SBS	European Union Structural Business Statistics
HLC	Hungarian Labour Code
IA	impact assessment
ICT	Information and Communications technology
ILO	International Labour Organisation
Istat	Italian National Institute for Statistics
LAS	Lagen om Anställningsskydd (Sweden's Employment Protection Act)
LFS	European Union Labour Force Survey
MS	Member State
N/A	not available
NGHC	non-guaranteed hours contracts
OCC/ZHC	On-call and casual contracts/zero hour contracts
REFIT	Regulatory Fitness and Performance
RQ	research question
SME	Small and medium-sized enterprises
TFEU	Treaty of Functioning of the European Union
EWCS	European Working Condition Survey
VBO	Verbond van Belgische Ondernemingen
WSD	Written Statement Directive

List of Member State abbreviations:

AT	Austria
BE	Belgium
BG	Bulgaria
HR	Croatia
CY	Cyprus
CZ	Czech Republic
DK	Denmark
EE	Estonia
FI	Finland
FR	France
DE	Germany
EL	Greece
HU	Hungary
IE	Ireland
IT	Italy
LV	Latvia
LT	Lithuania
LU	Luxembourg
MT	Malta
NL	Netherlands
PL	Poland
PT	Portugal
RO	Romania
SK	Slovakia
SI	Slovenia
ES	Spain
SE	Sweden
UK	United Kingdom
US	United States