



European Foundation for the Improvement of Living and Working Conditions

Temporary agency work in the European Union

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Overall dissatisfaction with their working conditions and job situation among temporary agency workers would seem to indicate the existence of poor working conditions among this group. However, specific health and quality of work indicators paint a more ambiguous picture. They reveal that the main reasons behind this dissatisfaction are the insecurity inherent in this form of employment and the fact that temporary agency work may often be taken up involuntarily.

Introduction

Employment in temporary agency work (TAW) in the EU has increased rapidly during the last decade (Storrie, 2002, p.1). According to [CIETT](#) (International Confederation of Temporary Agency Work Businesses), temporary work agencies in the European Union currently employ over seven million workers - 1.9% of the EU working population. There were an average of 2.8 million workers working through employment agencies on any given day in 2001 (CIETT, 2002, p. 21).

The expansion of TAW has created a growing interest in the matter across Europe in recent years. There is a need to learn more about the phenomenon, and the related impacts.

The concept of TAW is characterised by a triangular relationship between three parties: a temporary agency worker is employed by a temporary work agency (TWA) and is then, via a commercial contract, hired out to perform work assignments at a user firm (Storrie, 2002, p. 1).

From a macro economic perspective, TAW is often viewed as a tool for promoting flexibility in the labour market. It improves job matching and reduces frictional unemployment (Storrie, 2002, p. 38). On the other hand, research in the field of working conditions and health impacts indicates that workers engaged in TAW, in common with workers in other flexible and atypical types of employment, are more exposed to risk factors than permanent workers (Benach et al, 2002, pp. 1-2; Storrie, 2002, p. 43).

In the EU employment strategy agreed for 2003-06 as well as in the EU employment [guidelines](#) and [recommendations](#), the above issues have been addressed, notably by focusing on providing a good balance between flexibility and security. This balance should enable competitiveness as well as increase quality and productivity of work (http://europa.eu.int/comm/employment_social/employment_strategy).

Research approach

Due to the changing employment relations in Europe, such as the significant increase in atypical and flexible work arrangements including TAW, it is important to monitor developments and gather more in-depth information on the effects.

The concept of TAW can be addressed from a number of perspectives. The purpose of this report is to study the relationship between TAW and the working conditions and health impacts for the workers. It also aims to promote European learning in relation to TAW through presenting national experiences and good practices.

The report has been prepared for the [European Working Conditions Observatory](#) (EWCO). The information mainly derives from official national surveys as well as from qualitative studies provided by a network of seven European correspondents. These studies were based on a questionnaire prepared by the report coordinator. The seven countries initially engaged in EWCO are: Denmark, Finland, France, Germany, Netherlands, Spain and Sweden. Results from pan-European sources and, in particular, the European working conditions survey 2000 are included when relevant as a framework for discussion of the national findings.

This approach - taking a starting point at the national level - is chosen not only to get the latest data from the seven countries. It also reflects a 'bottom-up' approach in presenting information on how temporary agency work is dealt with in the different countries. The aim of this report is therefore not to compare temporary agency work in the different countries, but to learn about the priorities, the changes taking place and the related impacts on temporary

agency workers. National findings on good practices as well as the specific national experiences are considered in this research to be as relevant as common conclusions at European level.

Studies on the impact of TAW It should be noted that a lot of work has been done already in tracing the impact of TAW on the workers. The report *Temporary agency work in the EU* (2002), published by the European Foundation for the Improvement of Living and Working Conditions, deals more specifically with the issue from a national-level approach. Furthermore, the reports *Employment status and working conditions* (2002) and *Types of employment and health* (2002), based on results from the European working conditions survey in 2000, compare working conditions for temporary agency workers and other types of employment. CIETT has published the report *Rationale of agency work - European labour suppliers and demanders' motives to engage in agency work* (2002), aiming to identify the most common reasons for engaging in TAW by comparing the results from a number of national European studies. This report draws on the main conclusions from the above reports and re-visits findings in the light of more recent developments.

Methodology

One of the main conclusions from the report [Temporary agency work in the EU](#) (2002) is that there is a lack of statistical sources dealing with the concept of temporary agency work. For instance, temporary agency work features as a distinct classification in only a few of the national labour force statistics. Likewise, the availability of data, such as basic statistics and research on the working conditions of temporary agency workers in EU countries, is very limited. The available statistics are often deficient and of poor quality (Storrie, 2002, pp. 28-56).

The lack of comparable and reliable data in the EU countries is problematic in relation to monitoring developments in temporary agency work and related impacts. There is at present therefore no sound basis on which political decision makers and social partners can rely.

Data on the extent of temporary agency work

Since the report on *Temporary agency work in the EU* was published in 2002, an [amendment \(pdf file\)](#) to the regulation on the organisation of the labour force sample survey in the European Community was adopted on 25 November 2003. The purpose of the amendment is to adjust the national labour force samples in the Member States to cover recently emerging features of the labour market. Temporary agency work has been added through the amendment, and the national labour force samples from 2005 will include information on whether the respondents holds a contract with a temporary work agency (Regulation (EC) No 2257/2003, article 1, paragraph 1 on employment characteristics of the main job). This initiative should make it easier to monitor and compare main trends in relation to TAW in the EU Member States in the future.

Based on the data collected by the seven EWCO correspondents, only the Netherlands has included questions on type of contract in its national labour force survey. The Scandinavian countries Denmark, Finland and Sweden are in the process of formulating and testing relevant questions on this topic. While waiting for the EU regulation to come into force, it is necessary to rely on the available statistical data.

Data on working conditions

Another important issue is the availability of information on working conditions for temporary agency workers. The Foundation for the Improvement of Living and Working Conditions has investigated whether national [working conditions surveys](#) contain information on working conditions among temporary agency workers, and whether any qualitative studies exist.

In these national surveys, the actual number of temporary agency workers is so small that it is not possible to interpret results. The size of the sample is even more problematic when it comes to information on factors such as distribution by sector, occupation, age, etc.

Data from the EWCO national correspondents concur that the available statistical information on working conditions for temporary agency workers is not extensive. However, some qualitative studies provide useful and detailed information on the matter.

It could be argued, therefore, that qualitative case studies in specific sectors and specially framed surveys targeting temporary agency workers are more reliable sources for examining their working conditions.

The [third European survey on working conditions 2000](#), conducted by the European Foundation for the Improvement of Living and Working Conditions, does provide some relevant information on working conditions among temporary agency workers.

Trends in extent and scope of temporary agency work

As noted above, basic and comparable statistics on the number of temporary agency workers in the EU countries are very limited. The results presented in this section should therefore be viewed as trends rather than an attempt to make comparative cross-country analyses.

Number of temporary agency workers

Data from the national correspondents show a rapid increase in the number of temporary agency workers in the five-year period from the mid-nineties. However, the data also reveal that temporary agency work seems to have stabilised in most countries since 1999 and 2000. In most of the countries, the number of workers even decreases slightly from 2000. As an example, France has experienced a significant increase in the period from 1995-2000: the number of temporary agency workers doubled from 292,000 to 604,000 full-time positions. In 2001, the increase stabilised and then the number decreased in 2002 to 570,000 positions (French Ministry of Employment, research and statistical unit: DARES. Use of UNEDIC files based on monthly reports from temporary work agencies). Germany, the Netherlands, Spain and Sweden also experienced a decrease in the number of temporary agency workers from 1999 or 2000.

Table 1 Extent and growth of TAW

	Main trends in numbers of temporary agency workers	Composition of sample	Source
Denmark	Rapid and constant increase in the period from 1993-2001. 1993: 1,538; 2001: 30,565	Number of people working for temporary work agencies	General economic statistics on trade and industry, Statistics Denmark
Finland	Growth from 1996-2002. 1996: 6,307; 1999: 13,270; 2002: 16,633	Number of people working in labour recruitment and provision of personnel	Employment statistics, Statistics Finland
France	Doubling from 1995-1999. Decrease from 2001 to 2002. 1995: 292,000; 1999: 604,000; 2001: 602,500; 2002: 570,000	Number of contracts equivalent to full time jobs	DARES, use of UNEDIC files based on monthly reports from temporary work agencies
Germany	Constant increase until 2002, when a slight decrease is observed. 1990: 123,378; 1995: 176,185; 2001: 357,264;	Number of employees working for temporary work agencies	Employment statistics, German Federal Employment Agency

	2002: 336,295		
Netherlands	Increase from 1992-1997 and then stabilising from 1997-1999. Downward trend from 2000. 1992: 1.9%; 1997: 3.8%; 1998:3.8%; 1999: 3.7%; 2002: 2.8%	Share of total employment (%)	Dutch Central Bureau of Statistics
Spain	Fivefold increase from 1995-1999. Downward trend since 2001. 1995: 378,739; 2000: 2,005,132; 2001: 1,901,352; 2002:1,949,453	Number of “Put at disposal contracts” signed between temporary work agencies and user firms	Spanish Ministry of Labour and Social Affairs
Sweden	Rapid growth from 1994-1999. Slight decrease from 2000-2003. 1994: 5,000; 1999: 24,000; 2000: 42,300; 2002: 36,900; 2003: 28,700	Number of people working as temporary agency workers	Swedish TAW sector’s own calculations

Source: Findings by the national correspondents in the European Working Conditions Observatory.

Table 2 below presents estimates of the number of temporary agency workers as a percentage of the total employment in the seven countries under investigation. The table is based on national findings, CIETT’s statistics and European labour force statistics. Since data quality varies from country to country, the estimates must be interpreted with caution.

Table 2 Temporary agency workers as a percentage of total employment

	Number of temporary agency workers	Data supplier	Total employment (000s)	Temporary agency workers as a percentage of total employment
Denmark (2001)	30,565 (2001)	Statistics Denmark	27,410	1.1%
Finland (2002)	12,620 (2002)	Employment statistics, Statistics Finland	24,060	0.5%
France (2002)	570,000 (volume of contracts equivalent to full-time jobs in 2002)	DARES, use of UNEDIC files based on monthly reports from temporary work agencies	238,850	2.4%
Germany (2002)	336,295 (2002)	German Federal Employment Agency	362,750	0.9%
Netherlands (2001)	n/a	Labour force statistics from the Dutch Central Bureau of Statistics	81,760	2.8%

Spain (2001)	110,000 (2001)	CIETT	162,410	0.7%
Sweden (2003)	28,696 (2003)	Statistics Sweden	43,480	0.7%

Source: Own estimates based on data collected by the national correspondents in the European Working Conditions Observatory. The total employment (000s) is based on the European labour force survey 2002.

Characteristics

It is not possible to give a description of the ‘typical’ temporary agency worker. Neither is it possible to give an unambiguous characteristic of the TAW sector as a whole. However, on closer examination of the available data from the national correspondents, some main features of agency work and workers emerge. These are summarised below:

- Temporary agency workers are often young

One of the most distinct features of temporary agency workers is that they are generally much younger than other employees. In Germany, the average age of temporary agency workers is 37.5 years compared with 41.4 years among employees in the total economy (German Federal Employment Agency, 2001). Likewise, data from Spain reveal that as much as 84% of all temporary agency workers are younger than 34 years, and that 47.2% are younger than 25 years old (Spanish Ministry of Labour and Social Affairs, 2002). The same pattern appears in Denmark, Finland, France and Sweden.

- Temporary agency workers have a lower educational level than the average employee

Another feature of temporary agency workers is that they generally have a lower educational level than other employees. For instance, 5.7% of all German temporary agency workers do not have a school-leaving qualification, compared with 1.5% of employees in the total economy. Additionally, only 13.2% of temporary agency workers hold a university degree, whereas the percentage is 20.8% in the total economy (German Socio Economic Panel (GSOEP), 2001). In Spain, 38% of all temporary agency workers have completed compulsory education only or have not even reached this level, and only 6.8% have a university degree (Spanish Ministry of Labour and Social Affairs, 2002). The same trend emerges in Finland, France, Netherlands and Sweden. However, it should be noted that data from the Netherlands show that many of the temporary agency workers are often pursuing further education while working (ABU and ECORSYS-NEI, 2003).

- Large firms use temporary agency workers more often than small firms

Data from Sweden and Germany indicate that TAW is more common in large companies compared with small companies. In Sweden, 42.4% of companies with more than 100 employees use TAW whereas the percentage is only 18.4% among companies with 20-99 employees (Haakansson and Isidorsson, 1999). In Germany, 1% of all small firms (1-49 employees), 16.5% of firms with 40-499 employees and as much as 35.7% of firms with more than 500 employees use TAW (German Federal Employment Agency).

- No general trend is found regarding gender distribution in the TAW sector

There are no general conclusions to be drawn with regard to gender distribution in the TAW sector. Gender differences vary among the countries and could be related to the particular sectors using TAW.

In Sweden, the gender distribution in TAW is evenly divided. More men are engaged in temporary agency work in Germany (76.5%), Spain (57.2%) and France (70%). However, more women than men work as temporary agency workers in Finland (55%) and Denmark (70%). In the Netherlands, employment in temporary agency work is estimated as a percentage of the total employment: 3.1% of women and 2.6% of men are employed in TAW. (Haakansson and Isidorsson (Sweden 1999), German Socio Economic Panel (2001), Spanish Ministry of Labour and Social Affairs (2002), French DARES (2000), Finnish Statistics (2002), Statistics Denmark and Dutch Central Bureau of Statistics).

- Distribution by sector and occupation differs among the countries

The main development in relation to sector and occupation is that there is a move away from using temporary agency work in the industrial sectors towards use in the service sectors. However, the use of TAW in the

manufacturing industry is still high. In the Scandinavian countries (Denmark, Finland and Sweden), TAW is also very common in the health care sector. For instance, health and care workers constitute as much as 27% of the turnover in the TAW sector in Denmark. In Finland, 19.5% of all temporary agency workers are employed in health care (Statistics Denmark, 1999 and Finnish Ministry of Labour, 2002).

Reasons for engaging in temporary agency work

To fully understand the concept of TAW, it is important to consider the reasons for taking up this type of employment. The report [Rationale of agency work - European labour suppliers and demanders' motives to engage in agency work](#) (CIETT /ECORYS-NEI, 2002), investigates the motives on the part of both workers and user firms to engage in TAW.

The report is based on national studies from seven EU countries (Belgium, France, Germany, the Netherlands, Spain, Sweden and the UK) and aims to identify the most common reasons by comparing results from the national studies.

According to this report, the main reason for workers to engage in TAW is to find permanent employment. Other aspects, such as diversity of work and achieving a work-life balance, are given a lower priority (CIETT/ECORYS-NEI, 2002). Table 3 lists the most common motives among temporary agency workers.

Table 3 Main reasons for taking up TAW

General motives	Specific motives	Relevance (empirical)
Work and career-related motives	To find permanent employment	High
To screen possible employers	Medium	
To gain work experience and gain employability	Medium	
To gain diversity of work	Low / medium	
Labour income motive	In general	High
To gain additional income to other sources	Medium	
Work-life balance	In relation to caring and household duties	Medium
In relation to (gaps in) education and training	Medium	

Source: CIETT (International Confederation of Temporary Agency Work Businesses)/ECORYS-NEI (2002): Rationale of agency work - European labour suppliers and demanders' motives to engage in agency work.

A Dutch study (Miedema and Klein Hesselink, 2002) confirms the above conclusions. In this study, 1,030 temporary agency workers were asked about their reasons for taking up TAW. Several answers were possible. The most frequent reason cited was to gain more work experience (60.9%). More than half of the temporary agency workers gave as a reason the fact that there was no permanent job for them (54.8%) and that TAW provided an opportunity to maintain freedom and independence (53.3%). For some, TAW was a way of temporarily gaining extra income (43.7%), while approximately a quarter of the agency workers chose TAW because it facilitated the combination of care and work (27.2%). Over three quarters of the temporary agency workers stated that they had voluntarily chosen TAW. Age and work experience were important factors.

Motives for engaging in TAW is also the subject of a Danish study. Results from this study contradict the

assumption that most temporary agency workers take it up voluntarily. The study is based on individual and group interviews with 35 temporary agency workers working as commercial and clerical employees and five interviews with temporary work agencies. In the Danish study, all of the temporary agency workers interviewed had chosen the situation because of need. Most of them had tried to get a job through the ordinary job market, without success. Thus, the main reason for working as a temporary agency worker was that they wanted a permanent job and to gain a foothold in the labour market. Different reasons are cited as to why they had not been successful in getting a permanent job. For some of the temporary agency workers, age seems to be a barrier to getting a permanent position. Some of the older temporary agency workers say they found that being over the age of 50 is a disadvantage. Some of the younger women of childbearing age say that getting a job is difficult. Others stress that lack of experience is a hindrance in gaining a permanent job (Oxford Research, 2003).

Table 4 shows figures from a Finnish study confirming that three of the most common reasons for temporary agency work are: an alternative to unemployment (38%); possibility of getting permanent or long-term work (19%); the need to gain work experience (15%).

Table 4 Reasons for engaging in TAW, Finland 2003

Reason	%
Alternative to unemployment	38
Possibility of getting permanent or long-term work	19
To gain work experience	15
Extra income besides studying	10
Extra income besides other job	4
Temporary agency work as alternative to commitment to one workplace	4
Reconciliation of work and family	2
Fluctuating work tasks	1
Freedom to choose working times	1
Other	6
Total	100

Source: Rantala, 2003.

Working conditions

This section aims to give an overview of trends in working conditions among temporary agency workers. Before examining the specific findings delivered by the national correspondents, some general considerations are presented in relation to the relationship between TAW and working conditions and the health impacts on the workers.

First, it should be noted that working conditions are often largely related to sector specific factors, making it difficult to focus on the issue of working conditions for temporary agency workers specifically. Moreover, it is important to be aware of the fact that working conditions for these workers are also determined by particular factors embedded in the concept of TAW: frequent change of workplace, dual employer situation, lack of social security, lack of steady income, lack of job security.

Working conditions for temporary agency workers are strongly connected to the fact that TAW is characterised by

a ‘divided employer’ situation. The temporary agency is considered to be the employer of the temporary agency worker with regard to issues such as wages and terms of employment. On the other hand, the company in which the temporary agency worker is working (user firm) has the right to give instructions to the temporary agency worker. These specific factors may raise some issues regarding health and safety and social security. Matters that require representation rights in order to secure decent working conditions can be particularly problematic (Storrie, 2002, p. 43).

With these considerations in mind, it is important to emphasise that the concept of temporary agency work by definition cannot be said to include only negative or only positive aspects. Referring to a Finnish study (Takaneva, 2003), the pros and cons of TAW from a temporary agency worker’s perspective can be summed up in Table 5 below.

Table 5 Positive and negative aspects of TAW, Finland 2003

Negative aspects	Positive aspects
Need to ‘always show the best of oneself’	Freedom
Insecurity	Flexibility
Meeting new people all the time in new places is psychologically demanding	Different work experiences
Competitiveness	Counterbalance to, for example, studying
Inadequate orientation	The temporary work agency finds the job
Not enough respect	Diversity
Little employment security	Working like self-employed

Source: Takaneva, 2003.

Satisfaction with job and working conditions

The European working conditions survey 2000, conducted by the European Foundation for the Improvement of Living and Working Conditions, shows some interesting results regarding working conditions for temporary agency workers compared with employees in permanent employment. Table 6 below presents some of the main findings according to six selected health indicators. Perhaps the most notable observation is that temporary agency workers differ significantly from permanent employees only in their reporting being highly dissatisfied and having a lower level of stress.

Table 6 Health indicators among temporary agency workers and permanent employees, 2000* (%)

Health indicators	Temporary agency workers		Permanent employees	
	Full-time	Part-time	Full-time	Part-time
Job dissatisfaction	22.4	25.4	14.1	12.1
Health-related absenteeism	16.3	8.0	15.4	13.1
Stress	17.3	16.2	30.2	26.3
Fatigue	21.6	14.1	20.6	17.8
Backache	28.6	21.8	31.6	29.2
Muscular pains	29.7	23.9	31.1	28.0

*The number of temporary agency workers participating in the European working conditions survey 2000 is 327 (185 full-timers and 142 part-timers), which equals 1.7% of the survey population. The number of employees in permanent employment is 14,028 (10,356 full-timers and 3,672 part-timers), equalling 72.3% of the total survey population.

Source: Benach, J., Gimeno, D. and Benavides, F.G., [Types of employment and health in the European Union](#) , 2002, p.14.

These results are confirmed by studies from the Netherlands (Miedema and Klein Hesselink, 2002), Spain (Martínez García and García Gómez, 1999) and Denmark (Oxford Research, 2003). The reasons for dissatisfaction with job and working conditions among temporary agency workers are strongly related to the motives for engaging in temporary agency work.

According to the Spanish study conducted in 1999, only 10% of TAW employees are happy with their temporary situation. Students, women trying to reconcile work and family activities, and workers with specialised skills form the typical profile of this group.

However, up to 90% of TAW employees were unhappy with their current temporary working situation. For reasons beyond their control, they are obliged to accept this kind of temporary relationship while hoping to finding a more stable situation. This group mainly includes two different employee profiles: workers who accept this type of job because they cannot find anything better; and workers looking for work experience that may subsequently allow them to find a permanent job in the future (Martínez García and García Gómez, 1999).

A Finnish survey among 148 temporary agency workers in the restaurant sector (Rantala, 2003) reveals that approximately 45% felt that temporary agency workers were treated as 'second class' workers. A Danish study (Oxford Research, 2003) confirms this point of view. The feeling of being an outsider could therefore be another explanatory factor for the dissatisfaction.

Job control

The issue of job control in relation to temporary agency work could be viewed from two different perspectives:

- From the first perspective, it could be argued that workers engaged in TAW (at least in some agencies) can choose how much work and what kind of work they want. For this reason, they are not as stressed and overloaded with work as other groups of employees. In this situation, the concept of control means the possibility of having control over the kind of work and the place of work. This contrasts with the common understanding of the concept of control as a question of autonomy over how to carry out daily work, e.g. work methods, pace of work.
- The other and more negative perspective for TAW is the loss of control the temporary agency worker experiences as an outsider at the user firm. The temporary agency worker is told what to do by others and is not considered as being on the same level as the 'colleagues' at the user firm.

Results from the European working conditions survey 2000 indicate that temporary agency workers are less autonomous compared with other employment types. The fact that job control is low among temporary agency workers is at least true when it comes to control over tasks, work methods and pace of work, as Table 7 below shows.

Table 7 Job control, 2000

	Temporary agency workers	All employees
No control over order of tasks	37%	35%
No control over work methods	57%	29%
No control over pace of work	55%	30%

Source: Paoli, P. and Merllié, D., Third European survey on working conditions, 2001, pp. 12-13.

A Dutch study (Goudswaard, Kraan and Dhondt, 2000) also provides information on which groups of temporary agency workers are the least autonomous. According to this study, temporary agency workers without a permanent contract, workers with a long-term temporary contract and standby/substitute workers have less autonomy than workers with a permanent contract. Regardless of the type of contract, women, younger employees, and workers with a lower educational level have less autonomy.

Job demands and stress at work

As already noted, temporary agency workers are less exposed to stress than permanent workers. The Dutch flexibility and work study (Goudswaard, Kraan and Dhondt, 2000) confirms this trend, indicating that it is because of the nature of the work. Temporary agency workers and workers with other types of temporary/flexible contracts generally have jobs with low job demands and low autonomy. Their work would typically be characterised as dull work and less likely to cause stress.

However, it should be noted that results from other studies widen the understanding of the concept of stress in relation to temporary agency workers. For instance, the Finnish study (Rantala, 2003) shows that the job situation of temporary agency workers could be a stress factor in itself. Hence, 42% of all temporary agency workers in the study often felt that insecurity about work continuity is a cause of stress for them. In addition, 33% often felt that waiting for work made their life difficult and disrupted other aspects of their life. Thus, they experience 'work stress' from the need to be constantly 'on call' and from the feeling of insecurity in relation to employment and income. Also, 42% often felt that it was unjust that they had different terms of employment and benefits to permanent workers.

Access to training

Another disadvantage for temporary agency workers is that they have less access to supplementary training than other employment types. The European working conditions survey 2000 shows that only 23% of all temporary agency workers had received training within the last 12 months whereas the percentage for all workers was 34%.

Table 8 Employees who received training in the last 12 months by type of contract, 2000

Type of contract	%
Temporary agency contract	23
Fixed-term contract	31
Indefinite contract	35
Apprenticeship	40
All employees	34

Source: Paoli, P. and Merllié, D., Third European survey on working conditions, 2001, p. 19.

A German survey (GSOEP, Survey 2001) supports the finding that temporary agency workers receive less training than other groups in the labour market. Table 9 below shows that temporary agency workers in Germany judge the probability of participating in further training within the next two years to be much lower than a comparative group in the total economy.

Table 9 Probability of participating in training within the next two years according to own estimate, Germany 2001

Temporary agency workers	Comparative group in the total economy	Difference

36.5	48.2	-11.8
Note: Mean of information given on a scale from 0 (without certainty) to 10 (with complete certainty)		

Source: DIW Wochenbericht 46/2003, Data from [German Socio-Economic Panel 2001](#) , Berlin, 2003.

However, case studies from Sweden show that the issue of learning and training among temporary agency workers in the workplace is not as unambiguous as it first appears. The case studies show that, on a short-term basis, the level of learning and personal development is quite high for the workers and that changing jobs extends their work experience. On the other hand, these studies also show that temporary agency workers do not have the same possibilities of participating in long-term competence development as do permanent staff. Access to supplementary training focuses on upgrading the skills required in the existing job situation rather than developing new skills in relation to other fields.

The Dutch study (Goudswaard, Kraan and Dhondt, 2000) provides a greater insight into which kinds of temporary agency workers receive the least training. This study shows that temporary agency workers without a permanent contract, as well as workers on a temporary contract with the prospect of a permanent contract, have less access to training and education paid for by the employer. Workers with other types of temporary contracts, seasonal workers and standby/substitute workers also receive less training. The study shows no gender differences regarding training opportunities, though older employees and employees with a low educational background had less chance of receiving training. Being a standby/substitute worker, seasonal worker or temporary agency worker without a permanent contract correlates negatively with the need for training, as perceived by the user firm.

Risk of occupational accidents

According to statistical data from France, Germany and the Netherlands, the incidence of occupational accidents among temporary agency workers is higher than among other groups of employees.

The Dutch Labour Inspection (2004) examined 1,700 work accidents reported in 2002. As much as 13% of the people involved in an occupational accident with serious injuries were temporary agency workers. This is despite the fact that only 3% of the jobs in the Netherlands are temporary agency jobs.

The same tendency applies for temporary agency workers working in the private sector in Germany, as Table 10 shows.

Table 10 Occupational accidents among TAWs in the private sector, Germany 1995-2000

	Temporary agency workers	All
1995	70.21	38.67
1999	50.63	31.78
2000	48.32	37.10
Note: Accidents per 1,000 insurance cases. Source: VBG, 2002, cited from IGZ (http://www.ig-zeitarbeit.de/fs_infos_tarifizierung.htm).		

One of the most important reasons for the high number of accidents, as emphasised in the German survey, is that the temporary agency workers are new in specific jobs and therefore less informed about specific OHS prevention.

An additional explanation could be that temporary agency workers are not as well informed about risks at work as other employees. Results from the European working conditions survey 2000 show that temporary agency workers are the least informed about health risks at work compared with other employment types.

Table 11 Employees who are well informed about risks in using materials, instruments or products, 2000

Employment status	%
Temporary agency workers	62
Indefinite contract	79
Fixed-term contract	71
All employees	77

Source: Paoli, P. and Merllié, D., Third European survey on working conditions , 2001, p. 10.

However, it should be noted that the data from the European survey do not confirm that temporary agency workers report injuries more often than other employees. Likewise, the data do not support the view that temporary agency workers report absence due to occupational accidents more often than other employees (Paoli and Merllié, 2001, p. 34).

Best practices and action programmes

This section presents a small number of national examples of regulatory initiatives in relation to TAW, i.e. in the form of legislation, collective agreements, etc. It is not the intention to give in-depth information of the legal situation and industrial relations concerning temporary agency work in the seven countries included within the study. Further information on these matters is available in the [national reports](#) on temporary agency work published by the European Foundation for the Improvement of Living and Working Conditions. Hence, this report does not contain a description of the framework governing TAW in the seven countries. Rather, it presents examples of recent initiatives that are not covered in previous publications from the Foundation. For an overview of regulatory initiatives in relation to TAW, see [Storrie, 2002](#) , pp. 9-12.

Slow progress on TAW agreement in the EU With regard to employment legislation in EU, several attempts have been made to reach an agreement on TAW. In 1995, the Commission launched a consultation of EU-level social partners on flexibility in working time and security of workers in relation to atypical work. The specific negotiations on temporary agency work commenced in July 2000 but ended without agreement (Storrie, 2002, p. 1). Subsequently, the political debate has continued among national ministers of labour and employment in the Council of the European Union. However, an agreement has not yet been reached.

Finnish Employment Act

On the basis of a Finnish law dating from 1998, temporary agency workers gained the same pension rights, sick pay and annual holidays as permanent employees. The latest regulatory change in Finland was made in 2001 when temporary agency workers came under the Contracts of Employment Act. This solved the dispute over how temporary agency workers' terms of employment should be determined: their contracts should adhere to the same conditions as for permanent employees. If the temporary agency workers have a collective agreement (as in the case, for example, of restaurant musicians), then that should prevail (Sädevirta, 2002).

Labour market reform in Germany

At the end of 2002, the German Temporary Employment Act was modernised as part of a wider reform of the labour market. The revision of the Act implied a fundamental change of the legal situation for temporary agency workers. From 2004, temporary work agencies are obliged to guarantee their workers the same pay and employment conditions that permanent staff are entitled to in the user firm. The new law allows a deviation from the principle of equal treatment and equal pay for temporary agency workers only on the basis of collective agreements ([Erstes Gesetz für moderne Dienstleistungen am Arbeitsmarkt, Hartz I](#) , Article 6 and [DE0212203N](#)).

Dutch tripartite agreement

For the period 2003-2006, the temporary employment agency sector organisation ABU, trade unions, the Ministry of Social Affairs and employer organisations reached an agreement on the improvement of working conditions in the temporary agency work sector. The agreement focuses on reducing sick leave and aims to:

- improve information for temporary agency workers on health and safety risks;
- develop and implement a new system for sick leave registration in order to make the sick leave data comparable with data from other sectors;
- improve the support and guidance for temporary agency workers on sick leave;
- reduce the number of temporary agency workers applying for disability benefits;
- improve contact with client companies and reach agreements on working conditions and sick leave for temporary agency workers, by organising activities with other sector organisations and facilitating contact between temporary employment agencies and client companies (<http://nl.osha.eu.int/statistics/index.stm>).

Codes of conduct in Spain

In order to improve the negative image of temporary work agencies among the Spanish population, employers' associations in several sectors have designed a number of 'behaviour codes' designed to improve the social perception of the TAW sector. To give one example, AGETT (Spanish association of large temporary work agencies) has developed a 'Code of Quality' and a 'Code of Behaviour'. All enterprises belonging to the association must adhere to these codes. In addition, some employers' associations have undertaken particular activities intended to improve their social commitment. For instance, AGETT has signed a collaborative agreement with FAMMA - Federación de Asociaciones de Minusválidos Físicos de la Comunidad de Madrid (Federation of associations of physically disabled people in Madrid). The agreement stipulates that they will undertake joint activities aimed at fostering the integration of disabled people into society and the labour market (AGETT, 2003).

Commentary

The number of temporary agency workers and the economic importance of the sector have been increasing rapidly in most European countries over the last two decades. This growth has made it all the more important to monitor the implications and consequences of this complex form of employment.

There are many indications that temporary agency work may lead to lower pay and poorer working conditions than most other forms of employment. Many of the negative aspects of working conditions for temporary agency workers are embedded in the concept of temporary agency work itself. However, based on the findings in this report, it is important to emphasise the complexity of the concept of temporary agency work and to point out that data show ambiguous conclusions in relation to working conditions in the TAW sector.

As for the negative aspects, research results indicate that temporary agency workers are generally less satisfied with their job and working conditions than other employees. Also, data show that temporary agency workers:

- have less job control in terms of control over order of tasks, pace of work and work methods than other employees;
- have less access to training than other employment types;
- have low job demands;
- have a relatively high rate of occupational accidents and are least well informed about risks at work, compared with other employees.

However, looking at health indicators, data from the European survey of working conditions 2000 suggest that temporary agency workers only differ negatively from employees on permanent contracts in the fact of being highly dissatisfied with their employment situation. On the positive side, temporary agency workers have a lower level of stress, and suffer less from backache and muscular pains. Furthermore, temporary agency workers do not differ significantly from other employees in relation to health-related absenteeism and fatigue. Some temporary agency workers emphasise the positive aspects of temporary agency work such as greater freedom and independence, the possibility of boosting income, and greater opportunities for combining work and family life.

Seen in this light, the most apparent explanation for the high degree of job dissatisfaction among temporary agency

workers is most likely due to the fact that many temporary agency workers work in this category out of necessity rather than choice. Research points to the fact that most temporary agency workers would prefer - but have not been able to obtain or keep - employment of a more permanent nature. In order to achieve this aim, they work as temporary agency workers in order to gain more work experience, establish contacts and prove their worth to employers.

Unfortunately, no research can with certainty determine whether temporary agency work does in fact lead to more permanent forms of employment. This, together with the insufficient research and data on working conditions in the TAW sector, underlines the need for further research in the area. One important step in this direction is the amendment to the regulation on the organisation of the labour force sample survey in the European Community. From 2005, the national labour force samples will include information on whether the respondents holds a contract with a temporary work agency. This initiative should make it easier to monitor and compare main trends in relation to TAW in the future.

Dr Henrik Stener Pedersen, Claus Bo Hansen and Susan Mahler, Oxford Research A/S, Denmark

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Appendix: Available sources of data in the seven EWCO countries

At the moment, the only information source on the number of temporary agency worker at European level is CIETT (International Confederation of Temporary agency Work Businesses). Although this source offers the most comprehensive information available, it should be emphasised that the quality and reliability of the information are not always valid. The reason for this is that the information is based on national representative organisations for the sector and the methodologies are not clearly documented and may differ from country to country (Storrie, 2002, p. 27). The most up-to-date statistical data from CIETT are from 2002.

To get an overview of the availability of statistical data at national level, the EWCO correspondents were asked to complete a thorough desk research on the matter. The main research questions in this context were: How do the national labour force surveys deal with temporary agency work? and 'To what extent do the national statistics provide information on the number of temporary agency workers and their socio-economic status, gender, income, educational background, etc?'

The contributions from the national correspondents show that data availability varies among the countries:

- In the Netherlands, the national labour force survey is considered to be the most up-to-date and reliable information source on temporary agency work. The Central Bureau of Statistics carries out the survey. In addition, the authority of the sector organisation for temporary agency work carries out an annual survey among temporary agency workers.
- In France, Germany and Spain, the national authorities provide the most valid data source on temporary agency work: the French Ministry of Employment, Labour and Social Cohesion , the German Federal Employment Agency , and the Spanish Ministry of Employment .
- In the Scandinavian countries (Denmark, Finland and Sweden), the best sources on trends in temporary agency work are the general economic statistics on trade and industry, and employment statistics. These

sources are supplied by the official national bureaux of statistics (Statistics Denmark , Statistics Finland and Statistics Sweden) and are based on registered information.

Below is a more detailed overview of the available sources of data on temporary agency work in six of the seven countries which are included in the European Working Conditions Observatory.

Denmark

The most reliable source on trends in temporary agency work in Denmark are the general economic statistics on trade and industry, as the Danish National Labour Force Survey will not provide valid and specific information on the issue before 2005. The data from the general economic statistics are based on registered information and detail factors such as size of enterprise and sector.

Finland

The national labour force survey does not yet incorporate specific questions on type of contract. Therefore, the most reliable source for the number of temporary agency workers in Finland are the employment statistics, based on registered information. The information is cross-sectoral and is collected on an annual basis from the files of the National Board of Taxation and enquiries addressed to companies. Among other things, the statistics provide information on wages/salaries, company size, turnover, industry and municipality.

The Finnish Ministry of Labour makes an annual enquiry on temporary agency work. The data are based on all persons holding a temporary agency contract that is signed during that year. The Ministry of Labour views the data as useful for establishing trends, but not 100% accurate. This data can be used when year-round information is needed, but not in a cross-sectoral comparison with other countries.

From 2007, there will be a direct question about temporary agency work in the Finnish labour force survey. The aim is to identify exact and reliable figures on the number of temporary agency workers.

Germany

In Germany, the national labour force survey does not yet provide specific data on temporary agency work. However, input from the national correspondent shows that the German monitoring of temporary agency work is among the most extensive and detailed. The data are collected by the Federal Employment Agency (Bundesagentur für Arbeit) on an annual basis and contain information on certain items from as far back as 1973. The data provided include, for example, number of temporary agency workers distributed by gender and age, number of temporary work agencies, length of employment, occupational status, previous employment, etc.

The Netherlands

The Netherlands is also among the most experienced countries in collecting statistical data on temporary agency work. In fact, the market for flexible labour in Netherlands is substantial compared with the other European countries, and the country has a longer tradition for monitoring the trends in temporary agency work.

Besides data collected in the national labour force survey, three other major surveys on temporary agency work have been conducted: Flexi workers (Flexwerkersonderzoek), 1997, Flexibility and work in the information society (Flexibilisering en arbeid in de informati maatschappij), 1998, and Temporary agency work (Uitzendwernemers) , 1999. Furthermore, the authority of the sector organisation for temporary agency work carries out an annual survey among temporary agency workers.

All surveys contain questions on number, gender and educational background. Socio-economic status can be deducted from income, job level and educational background. The survey 'Flexibility and work' also provides information on income.

Spain

In order to fill the gap in information on temporary agency work in the Spanish labour force statistics, the Spanish

Ministry of Labour and Social Affairs has been gathering statistics on temporary work agencies (Estadística sobre Empresas de Trabajo Temporal) since 1995. These statistics are the only source of information on the issue in Spain. They include census data, in the sense that information on temporary agency workers and agencies, as well as performance indicators, are based on figures for the total population (and not on samples).

The statistics provide information on the following issues:

- number of temporary work agencies operating in Spain, by geographical scope of activity and location;
- number of 'put at disposal' contracts, by economic sectors and branches (this type of contract is carried out between the work agency and the user firm, with the purpose of temporarily transferring the worker to the firm);
- number of contracts registered in INEM (National Institute for Employment) by temporary work agencies, according to the type of contracts, time duration, gender, age and educational profile of the contracted people. Registered contracts include those with workers to be 'transferred' to user firms (most contracts), as well as those with workers who carry out their activities within the temporary work agencies (structural workers).

Sweden

In 2002, the official statistical industry and trade codes were changed, which means that temporary work agencies now hold an official industrial classification code in Sweden. For this reason, access to information on temporary agency work has improved considerably. However, the potential of the new industrial classification code has not yet been fully utilised. It also applies to the Swedish labour force survey.

The general industrial statistics, based on registered information and operating with the new code, are at the moment the most valid source of information on the number of temporary agency workers and the number of agencies. These statistics contain information on items such as number of firms and number of employees in the temporary agency sector.

As for other sources regarding developments in the temporary agency sector, a research register was made in relation to a research project in 1999. This register is more extensive in the number of variables included and deals with several different issues such as: gender, nationality, age, educational level, domicile and marital status. Although the validity and reliability of the research register is not as high as information from the general industrial statistics, it can be used as an important indicator for the main trends in temporary agency work.

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