

# Representativeness of the European social partner organisations: Temporary agency work sector

## Executive summary

### Introduction

This study aims to provide the necessary information to encourage sectoral social dialogue in the temporary agency work sector. Eurofound's series of representativeness studies, carried out at the request of the European Commission, sets out to identify the relevant social partner organisations to be consulted under the provisions of the Treaty on the Functioning of the European Union (TFEU). The study thus identifies the relevant social partner organisations in the temporary agency work sector by means of both a top-down approach (listing the members of the relevant European associations) and a bottom-up approach through Eurofound's network of European correspondents.

A national association is considered to be a relevant sector-related interest association if it meets the following criteria: a) the association's domain relates to the sector; b) the association is either regularly involved in sector-related collective bargaining and/or affiliated to any relevant European interest association.

A European association is considered to be a relevant sector-related interest association if it is on the Commission's list of interest organisations to be consulted on behalf of the sector under Article 154 of the TFEU and/or participates in sector-related European social dialogue and/or has requested consultation under Article 154.

### Defining the sector

For the purpose of this study, the temporary agency work sector is defined in terms of the Statistical Classification of Economic Activities in the European Community (NACE) to ensure the cross-national comparability of the findings. More specifically, the sector is delineated by NACE (Rev. 2) code 78.2: Temporary employment agency activities.

Temporary agency work is a specific form of employment that is characterised as a triangular relationship between

workers, intermediary agencies and user companies. Temporary agency employment cuts across different economic sectors. This study therefore combines a narrower definition of sectoral properties (based on the NACE code) with a broader definition of temporary agency work as a form of employment that relates to virtually all economic sectors from the user company perspective. As this approach could potentially cover all national sectoral social partner organisations, the bottom-up approach focuses on the most relevant organisations in terms of membership of temporary work agencies and temporary agency workers.

### Economic background

The temporary agency work sector has been one of the fastest growing employment segments in several countries, both before and after the 2008 economic crisis. This growth is partly attributable to the fact that, in many countries, temporary agency work is an employment form that became legally regulated only during the past two decades. It is also a sector that is strongly influenced by developments in gross domestic product, its workforce being directly affected by economic conditions. This pattern was seen in the recent crisis when the temporary agency work sector in Europe experienced a decline in employment that was much stronger than overall employment. At the same time, agency employment started to increase again – with differences between EU countries – earlier than direct employment and more intensely than employment in general.

### Employment characteristics

Due to the specific nature of temporary agency work and the different ways of counting agency workers across countries, it is extremely difficult to gather employment data on agency work on a comparative basis. Estimates for the number of people employed by temporary employment agencies (as full-time equivalents) in the EU in 2011 range from 2.5 million

(data from Eurostat) to 4 million (data from Ciett – the temporary agency employer organisation).

## National level of interest representation

### Trade unions

The study identified 62 trade unions in 22 EU Member States which fulfil the criteria for inclusion in this representativeness study. Most countries have multiple trade union representation. There are no sector-related trade unions in Croatia, Cyprus, Estonia, Greece, Lithuania and Romania. In six countries (Bulgaria, Czech Republic, Hungary, Latvia, Slovakia and Slovenia), only one trade union has membership links to the sector. The overwhelming majority of trade union organisations are characterised by domain patterns of overlap or sectional overlap.

### Employer organisations

The study identified 41 sectoral employer organisations in 26 Member States (there are no such organisations in Cyprus and Malta). The employer side has a much less pluralistic system of sector-relatedness than the employee side. The domain patterns of employer organisations in the sector are narrower and more sector-specific than those of the trade unions.

## Collective bargaining

The study reveals a polarised picture and significant variations between EU Member States in terms of collective bargaining and social partner consultation. Very high bargaining coverage rates of 90%–100% are reported in some countries in western and northern Europe, while there is hardly any collective bargaining in central and eastern European countries, as well as in a number of southern Member States. Trade unions are involved in collective bargaining in 17 countries – in the remaining 11 countries, collective bargaining does not take place in the context of the temporary agency work sector but rather in other sectors where the collective agreement in place covers temporary agency workers.

Employer organisations are involved in collective bargaining in 18 countries. In five countries (Bulgaria, Estonia, Greece, Hungary and Malta), none of the sectoral employer associations included in the study is involved in collective bargaining. In the UK, one of the employer associations included in the study is not involved in collective bargaining. In only 10 Member States are employer organisations involved in the negotiation of collective agreements at multi-employer, sectoral or branch level.

## European level of interest representation

In the temporary agency work sector, the organisations listed by the European Commission as a social partner organisation to be consulted under Article 154 of the TFEU are UNI Europa on the employee side and Eurociett (European Confederation of Private Employment Services) on the employer side.

UNI Europa has 35 direct affiliations (56% of all trade unions identified) in 17 Member States. Although identified by this study as being the most representative organisation on behalf of employees in the sector, the picture is more pluralistic than for the employer side. The bottom-up approach shows that other EU-level trade unions are relevant as more than 20% of those identified are affiliated to more than one EU-level association. Two of these are particularly relevant. The manufacturing sector trade union organisation, IndustriALL, has 14 direct affiliations in 10 Member States, of which eight organisations are also not affiliated to UNI Europa. The cross-sectoral confederation, ETUC, has nine direct affiliations in six Member States, with eight organisations also not affiliated to UNI Europa.

Eurociett has 26 direct affiliations (63.4% of the employer organisations identified) in 26 Member States and is the only European-level, sector-relevant association for the temporary agency work sector.

## Conclusions

Top-down and bottom-up analyses of the temporary agency work sector in the EU28 show that UNI Europa and Eurociett are the most important EU-wide representatives of employers and employees in the sector. The study identified a number of other EU-level trade union organisations as being relevant, with IndustriALL and ETUC being the most important.

### Further information

The report *Representativeness of the European social partner organisations: Temporary agency work sector* is available at <http://www.eurofound.europa.eu/observatories/european-observatory-of-working-life-eurwork/representativeness-studies>

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