COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 155 final

Brussels, 30 April 1982

Proposal for a Council Directive concerning temporary work

COM(82) 155 final

EXPLANATORY MEMORANDUM

INTRODUCTION

General comments

- 1. The impact of the economic crisis since 1974, the worsening situation of many businesses in the Community and the resulting uncertainty as regards the medium-term outlook have brought about radical changes in labour management practices. Firms feel the need to reduce their labour costs (with the result that the volume of permanent employment gradually declines) and increase operational flexibility. For their part, workers not unreasonably wish for greater security.
- 2. Because of the lack of comparable statistics, it is very difficult to quantify temporary work (1) with any degree of precision in terms of either volume or rate of increase. Certain points are, however, clear:
- Between 1977 and 1979, the volume of temporary work via employment businesses grew by 24% in Ireland, 60% in the Federal Republic, 20% in Denmark and 9% in the Netherlands. A decrease was recorded in Belgium.
- The number of temporary employment businesses grew by 23% in the United Kingdom between 1977 and 1979 and 58% in France between 1975 and 1979 (2).
- In the case of France, figures for 1981 indicate that 3.8% of female employees and 2.6% of male employees were working on fixed-duration contract. The number of contracts for temporary work via employment businesses doubled between 1975 and 1979 and the number of temporary workers supplied by such businesses increased by 138% (Report to the President of the Republic, February 1982). (The figures for 1981 also reveal that 45% of those coming onto the unemployment register were temporary workers.)
- In the United Kingdom, 7% of all workers are employed on a temporary basis.

Trade Unions in all the Member States are concerned at the growing trend towards insecure forms of employment. Many governments share this concern and either are endeavouring to find solutions to the abuses which have been detected or have asked the Commission to deal with problems which cannot be handled by national legislators (notably the cross-frontier activities of temporary employment businesses).

3. It would be wrong to give the impression that temporary work is necessarily contrary to the interests of workers. Indeed, temporary work via employment

businesses meets the needs of certain groups of workers (young people, women, older workers), who would rather take employment on a temporary basis. Increasingly, however, this type of employment is taken by workers seeking permanent jobs who prefer temporary work to no work at all. These workers are thus forced to accept the numerous disadvantages associated with temporary work via employment businesses of which insecurity is but one. Broadly speaking, it is fair to say that such workers labour under the following disadvantages vis—a-vis permanent workers:

- 1. They are not always covered by social security.
- 2. They are not integrated into the user undertaking and as a result may not have access to the communal social facilities provided for permanent workers (company transport, canteens, showers, etc.), generally do not have access to vocational training, are not represented on the bodies representing employees, are not counted as part of the undertaking's workforce and are not defended by the unions operating in the undertaking.
- (1) Two forms of temporary work are under consideration here: the triangular relationship involving a temporary employment business and the direct relationship between an employer and an employee engaged on the basis of a fixed-duration contract of employment. See definitions in Article 1 of the proposed Directive.
- (2) Blanpain/Drubigny Report for the Commission, April 1980.

- 3. Where there is no collective agreement specific to the temporary employment sector, they are frequently paid substantially less than their colleagues (differences in pay amounting to as much as 50% have been found to exist in the case of people working in the Commission itself). They are generally excluded from all forms of service-related payment (end-of-year bonuses, thirteenth month payments, paid public holidays, annual leave payments) and are not paid at all between assignments (except in one Member State).
- 4. In the event of dismissal, they do not benefit from the provisions regarding notice periods or compensatory payments which apply only to permanent workers or, in some countries, to workers with a certain length of service. In the building industry, for example, they may be sent home immediately in the event of bad weather without any of the "bad weather allowances" to which permanent workers are entitled.
- 5. They fall victim on occasion to unsound temporary employment businesses which cannot pay their wages and this creates special difficulties in the case of temporary workers sent abroad.
- 6. They have an injury rate substantially higher than that of other workers because they are frequently employed on arduous and dangerous tasks which the permanent workforce shuns.
- Workers on fixed-duration contract also tend to be treated less well than permanent workers in certain respects, though the inequalities are generally less glaring than in the case of temporary workers supplied by employment businesses. In some Member States at least, workers on fixed-duration contract are covered by the collective agreements applicable to the undertaking's permanent workforce. This is, however, not the general rule and workers on fixed-duration contract are frequently not entitled to benefit from the statutory and collectively agreed provisions applicable to permanent workers. Service-related rights are generally outside their reach because they cannot acquire the necessary seniority. The notice periods and compensatory payments due to permanent workers in the event of dismissal are also as a rule inapplicable since the expiry of a fixed-duration contract does not in the majority of Member States constitute a "dismissal" and in the few countries where workers on fixed-duration contract are theoretically entitled to compensatory payments the latter are subject to such requirements as regards length of service as to ensure that they rarely have any entitlement in practice. Moreoever, workers on fixed-duration contract are not generally paid at the level to which they would have been entitled as permanent employees with full account taken of their previous experience. Indeed, they often have to start again at the bottom of the ladder with each new contract. Finally, problems frequently arise in connection with pension rights, because the periods between contracts do not count towards entitlement. Naturally, however, insecurity remains the major disadvantage of employment on fixed-duration contract as against permanent employment. The recruitment of workers on fixed-duration contract is therefore only justifiable where the jobs concerned are transient in character and this is by no means always the case. It is, for example, not uncommon to find permanent jobs occupied by a succession of temporary workers, thus enabling the employer to evade the protective legislation applicable to permanent workers.

Community action

- 5. The Commission has indicated on a number of occasions in recent years, either in connection with the reorganization of working time or in the context of temporary work specifically, that Community action is needed in the field of temporary work (1). The intention to present proposals on this matter has also been announced in the Commission's answers to a number of written questions from Members of the European Parliament (2).
- 6. In its Resolution of 18 December 1979, the Council noted that in the majority of Member States temporary work had developed considerably over the last few years and stated that "Community measures in support of action by Member States should be undertaken to ensure that temporary work is supervised and that temporary workers receive social protection".
 - The Standing Committee on Employment confirmed this in October 1980 and stressed that recent developments as regards both unemployment and temporary work fully justified the importance it attached to this matter. The Committee also formulated a number of concrete suggestions regarding the action to be taken at Community level with a view to protecting the legitimate interests of workers as regards improvements in the employment situation whilst at the same time safeguarding the operational flexibility of firms subject to temporary fluctuations in personnel or economic activity. The Committee recognized, in particular, that whilst temporary work met certain economic needs flexible arrangements for supervision adapted to the situation in the individual Member States were necessary to prevent abuses damaging to the workers concerned.
- 7. In its Resolution of 17 September 1981, the European Parliament stated that temporary work was assuming disquieting proportions, that firms should therefore be discouraged from using this form of working as a way of escaping from contractual or legislative obligations in the field of employment protection and that the Commission should propose to the Council "a clear definition of temporary work and guidelines for ensuring that it is not so abused".

⁽¹⁾ COM(79)188 final, 7.5.1979: Communication from the Commission to the Council on work-sharing.

COM(80)186 final, 28.4.1980: Guidelines for a Community labour market policy.

COM(80)351 final, 27.6.1980: Guidelines for Community action in the field of temporary work (agency work and contracts for a limited period).

COM(81)154 final/2, 29.4.1981: Problem of unemployment - points for examination.

Commission programmes for 1979, 1980 and 1981.

⁽²⁾ Questions Nos. 37/73 (Vredeling), 75/74 (Bernani), 468/77 (Dondelinger), 1683/80 (Croux-Malangré Notenboom) and 1341/80 (O'Connell).

⁽³⁾ Council Resolution on the adaptation of working time, OJ No. C 2, 4.1.1980.

⁽⁴⁾ Nineteenth meeting of the Standing Committee on Employment, 30.10.1980 - Conclusions of the Chairman.

⁽⁵⁾ Resolution of the European Parliament on employment and the adaptation of working time - OJ No C 260, 12.10.1981, p. 54, point 19(g).

- 8. At Community level, the problems posed by temporary work have primarily been considered in the context of the debate on the reorganization of working time with a view to redistributing the available volume of work and hence reducing unemployment.
- It is clear in this context that the number of permanent jobs will not increase if firms are in a position to resort to temporary labour on a regular basis and without restriction.
- This proposal is therefore designed to ensure that permanent employment remains the rule and the use of temporary labour is confined to genuinely temporary jobs.
- Measures to regulate the use of temporary labour do, however, have another more <u>direct</u> purpose, namely to improve the unity and solidarity of the labour market by giving temporary workers who are at present in a marginal, disadvantaged situation the same social protection as is enjoyed by permanent workers. This improved social protection will prevent recourse to temporary employment as a means of evading existing social legislation.

CONTENT OF THE PROPOSED DIRECTIVE

permanent_workers

The objectives of this proposal are threefold:

- 1. to protect temporary workers by ensuring insofar as possible that they enjoy the same rights as permanent employees;
- 2. to protect the permanent workforce by reducing the misuse of temporary labour;
- 3. to ensure that only sound, reputable businesses can engage in the supply of temporary workers with a view to eliminating malpractices both within individual countries and in the cross-frontier context.

The Directive must, however, attain these objectives without unreasonably restricting the flexibility which firms need in matters of labour management.

The body of the proposal falls into two parts — the first concerned with the supply of workers by temporary employment businesses and the second with the engagement of workers on fixed-duration contract.

- I. Supply of temporary workers by employment businesses (Sections II and III)

 A. Provisions designed to protect temporary workers supplied by employment

 businesses and bring their rights more closely into line with those of
- 1. The renumeration of workers supplied by temporary employment businesses should be laid down via collective agreements. Failing this, it should be comparable to that received by permanent workers (Article 6).
- 2. The contracts under which they are employed should either be of indefinite duration or, failing this, the duration of employment should be clearly defined in terms of objective conditions (specified date of expiry, completion of a specified task, return of the member of staff for whom a temporary worker is standing in, etc.) (Article 5).
- 3. The main features of their work in the user undertaking should be specified in writing (working hours, nature of the work to be performed, remuneration, etc.) (Article 5).
- 4. They should be protected against premature termination of the contract of employment (compensation equal to the remuneration lost) (Article 7).
- 5. In the event of an illegal temporary employment business failing to meet its responsibilities vis-à-vis a temporary worker, the user undertaking should bear secondary liability for the latter's wages (Article 2(4)).
- 6. Temporary workers should be entitled to social security cover on the same basis as permanent workers (Article 4).
- 7. Working conditions should be the same for them as for permanent workers and they should have access to any communal social facilities (canteens, shower) open to permanent workers (Article 9).

- B. Provisions designed to the permanent workforce against the misuse of temporary labour supplied by employment businesses
- 1. Where temporary workers do not enjoy the same social benefits as permanent workers, recourse to such workers should be confined to two sets of circumstances: temporary reductions in workforce (through illness, leave, retirement or resignation) and temporary or exceptional increases in activity (increase in orders, launching of a new activity, execution of an exceptional task, etc.) (Article 3).
- 2. The user undertaking should be required to inform the representatives of its employees before recourse to temporary workers except as stand-ins for permanent workers (Article 8).
- The maximum duration of assignment should be limited (Article 3(2)).
- 4. No post should be occupied by successive temporary workers beyond this time limit (Article 3(3)).
- 5. Temporary workers supplied by employment businesses should be free to take permanent jobs with the user undertaking (Article 5(4)).
- 6. Temporary workers (supplied to cope with an exceptional increase in activity) should be included in the user undertaking's workforce for the purposes of determining such of the latter's social obligations as are linked to the number of workers habitually employed (Article 10).
- 7. Temporary workers should not be used to perform the duties of employees who are on strike (Article 11).
- C. Provisions designed to ensure that only sound, reputable businesses can engage in the supply of temporary workers

(With a view to eliminating malpractices in the supply of temporary labour both within and across national frontiers).

- 1. Any business wishing to supply temporary labour either within a single country or on a cross-frontier basis should be required to obtain prior authorization from the competent national authorities (Article 2).
- 2. There should be adequate supervision of all the activities of temporary employment businesses (both national and cross-frontier) (Article 2).
- 3. Arrangements for cooperation between the competent authorities should be established so as to ensure both the necessary exchange of information and effective mutual assistance with a view to preventing and suppressing abuses in the cross-frontier supply of temporary workers (Articles 12 to 14).

- II. Fixed-duration contracts of employment (Section IV)
- A. Provisions designed to protect workers recruited on fixed-duration contract
- 1. The collective agreements applicable to permanent workers should in all Member States also cover workers engaged on a temporary basis for a specified period of task. Failing this, the conclusion of fixed-duration contracts should be permitted only in the case of jobs which are transient in character (Article 15(4)).
- 2. The duration of employment should be defined in terms of objective conditions (specified date of expiry, completion of a specified task, occurrence of a specified event) and the principal terms of the contract (working hours, place of work, remuneration, duration of probationary period) should be specified in writing (Article 16).
- 3. The remuneration of workers on fixed-duration contract should be laid down within the framework of the collective agreement applicable to the undertaking in question. Failing this, it should be not less than that received by permanent workers (Article 17).
- 4. Workers on fixed-duration contract should be protected against premature termination of the contract by their employer (compensation equal to the remuneration lost) (Article 18).
- B. Provisions designed to the permanent workforce
- 1. Recruitment on fixed-duration contract should be confined to vacancies of a transient nature (replacement of absent workers, temporary/exceptional increases in activities, seasonal activities, occasional tasks, work where contracts of indefinite duration are not customary, launching of a new activity of uncertain duration (article 15).

 2. The employer should inform the representatives of his employees when he recruits workers on fixed-duration contract (Article 19).
- 3. Workers on fixed-duration contract should be included in the undertaking's workforce for the purposes of determining such of its social obligations as are linked to the number of workers habitually employed (Article 20).
- 4. Workers on fixed-duration contract should not be used to perform the duties of employees who are on strike.

LEGAL BASIS

As in the case of the other Directives adopted recently in the social field, Article 100 of the EEC Treaty, in conjunction with Article 117, is the obvious legal basis for this proposal. The differences from Member State to Member State in the protection afforded to temporary workers by national law are liable to distort the conditions of competition between undertakings in Member States and have a direct effect on the establishment of a common market extending to both economic and social spheres. There is thus a need for the approximation of laws on this matter, as provided for in Article 100, in order to meet the requirement of Article 117 that living and working conditions be improved so as to permit their harmonization while maintaining progress.

Temporary work is defined simply as the opposite of permanent work (employment of indefinite duration) so as to avoid any discrimination either between categories of temporary labour (temporary workers supplied by employment businesses and workers engaged directly on fixed-duration contract) or between employers.

The term contract of employment has been bracketed with "employment relationship" to take account of the situation pertaining in some Member States and already recognized by earlier Directives in the field of labour law (1).

The supply of temporary workers is defined as a triangular relationship between temporary employment business (the employer), temporary worker and user undertaking. A business will not be deemed to be supplying temporary workers within the meaning of the Directive unless it engages in this activity regularly purely occasional activities such as the loaning out of workers are thus not covered.

Subcontracting in the strict sense is not covered either since the subcontractor retains authority over the employees he sends to the customer to carry out the work entrusted to him. Where full authority over the workers is delegated to the user undertaking, however, the subcontractor will be regarded as engaging in the supply of temporary workers since this form of alleged subcontracting is used in several Member States as a device for evading the rules regulating the activities of temporary employment businesses.

The Directive does not require temporary employment businesses to engage exclusively in the supply of temporary workers. In some Member States temporary employment businesses are also permitted to engage in other activities, e.g., they may act as fee-charging placement agencies, and there is no reason to change this situation.

The term <u>fixed-duration contract of employment</u> covers any contract of employment concluded bilaterally between an employer and a worker the termination of which is defined in terms of a specified date of expiry, the completion of a task (e.g., duration of a building project), the end of a season (wine harvest, hotel trade, etc.) or the occurrence of a specified event (e.g., return of a worker who has been temporarily absent).

⁽¹⁾ cf. Directive 77/187/EEC of 14.2.1977 - Safeguarding of employees' rights in the event of transfers of undertakings.

cf. Directive 80/987/EEC of 20.10.1980 - Insolvency.

§ 1. Some Member States already require businesses wishing to engage in the supply of temporary workers to obtain authorization (approval, licence, etc.). In one Member State the requirement is one of notification only.

The Directive requires prior authorization in all Member States so as to ensure that, throughout the Community, only sound, reputable businesses will be able to engage in the supply of temporary workers. The conditions to which authorization is subject vary in strictness from country to country. The aims of this Directive are limited and it therefore makes no attemps to end this variation, leaving the conditions for authorization entirely to individual Member States. Similarly, however, each Member State remains free either to prohibit the supply of temporary workers altogether within its territory (as Italy does at present), or to prohibit this activity in a given sector (the building industry) as do the Federal Republic and the Netherlands, or to restrict the supply of temporary workers to a single sector (office work) as does Denmark.

Supervision

Some Member States monitor the activities of temporary employment businesses in terms of the grounds for recourse to temporary labour (Belgium and France), the duration of assignment (all countries except the United Kingdom and Ireland) or the level of remuneration (the Netherlands, Denmark and Belgium). Supervision may take the form of a selective or occasional checks by agents of the competent authorities, or of a requirement that certain bodies representing the employees of the user undertaking be kept informed, or in some cases even of a requirement that recourse to temporary labour be subject to authorization by these bodies.

In other Member States (Ireland and the United Kingdom) the authorities carry out checks within the context of the annual licence renewal procedure. This Directive requires Member States to ensure that the activities of temporary employment businesses are "adequately supervised" (in line with the judgment given by the Court of Justice in the Van Wesemael case on 18 January 1979 (1) without going into any further detail as to what may be considered adequate in this context. In the Commission's opinion, the harmonization of national 'legislation and practices as regards the grounds for recourse to temporary labour, the duration of assignments, disclosure of information to representatives of the permanent workforce, the level of remuneration, etc., combined with the obligation to obtain authorization before engaging in the supply of temporary workers, should be adequate instruments for the control of temporary employment businesses in all Member States.

- § 2. With regard more specifically to the cross-frontier supply of temporary workers, each Member State remains free to require that employment businesses authorized in another Member State fulfil the specific conditions which it imposes on its own nationals because they are necessary to protect the public interest. This provision is in line with the Court of Justice's ruling in the Webb case to the effect that it is entirely within the rights of Member States in their role as guardians of the public interest to refuse authorization with a view to preventing disruption of the labour market and safeguarding the interests of workers (2).
- § 3. This paragraph provides that, in the event of an illegal temporary employment business failing to meet its obligations, the user undertaking will bear a "secondary liability" for the remuneration, social security contributions, etc. due to the temporary workers concerned. The Directive is in no sense intended to change national legislation in the matter of liability and the Member States therefore remain free to apply their existing systems (joint and several liability, co-liability, liability "in solidum", etc.).

⁽¹⁾ Cases 110 and 111/1978.

⁽²⁾ Case 279/80, 17.12.1981.

This concept of secondary liability has already been used in Directive 77/187/EEC of 14 February 1977 on the safeguarding of employees' rights in the event of transfers of undertakings, which states in the second paragraph of Article 3 (1) that Member States may provide that "in addition to the transferee, the transferor shall continue to be liable in respect of obligations which arose from a contract of employment or an employment relationship".

This additional safeguard is confined to cases where temporary labour has been supplied <u>illegally</u>. When the employment business is operating legally, the systems in force in all Member States pursuant to the "Insolvency" Directive (80/987/EEC of 20 October 1980) will satisfy any unfulfilled claims arising from a contract of employment (or employment relationship). A further provision has, however, been introduced with regard to the cross-frontier supply of temporary workers (fifth indent of Article 13(c)) to the effect that the authorities of the two Member States concerned must assist each other in connection with the payment of the unsatisfied claims of temporary workers carrying out assignments in a Member State other than that in which the temporary employment business has been declared insolvent.

In this same cross-frontier context, paragraph 3 of Article 2 also provides for the payment, where appropriate, of the cost of repatriating the temporary worker.

This Article encompasses the two systems currently in use in the Member States for the purpose of regulating the activities of temporary employment businesses:

- 1) A system aimed primarily at safeguarding the volums of permanent employment whereby both the grounds for recourse to temporary labour supplied by employment businesses and the duration of assignment are severely restricted and temporary workers do not enjoy the same social rights as permanent workers (which makes temporary work via employment businesses a relatively unattractive option) (cf. paragraphs 1 and 2 of this Article).
- 2) A system aimed at protecting workers rather than safeguarding the volume of permanent employment whereby employers are at liberty to use temporary labour so long as the social benefits accorded by virtue of labour law, collective agreement or customary industrial practice are enjoyed by temporary workers on the same terms as permanent workers (cf. paragraph 3 of this Article). The nature of the "social benefits" accorded varies widely from country to country(1) and no attempt has been made here to delimit the concept. The Directive does, however, stipulate that the social benefits accorded in the user undertaking should be enjoyed by temporary workers supplied by employment businesses on the <u>same terms</u> as employees of the undertaking. One implication of this is, admittedly, that where certain rights are dependent on lenght of service, temporary workers may not qualify.

There will be no obligation on those Member States which do not operate arrangements along the lines of those provided for in Article 3(3) to introduce such a system. They will be able, if they so wish, to confine themselves to applying paragraphs 1 and 2.

<u>§ 1</u>. "Temporary reduction in workforce" is intended to cover both the replacement of workers who are temporarily absent (and these may be either permanent workers or workers on fixed-duration contract or, indeed, temporary workers supplied by employment businesses) and the assignment of a temporary worker to a vacant post whose new incumbent has yet to take up his duties.

⁽¹⁾ End-of-year bonuses, thirteenth month payments, paid public holidays, annual leave allowances, etc.

The phrase "temporary or exceptional increase in activity" corresponds to a classic reason for recourse to temporary labour and can be interpreted by the Member States in line with national law or practice.

<u>§ 2.</u> The provision restricting the duration of assignment is based on the principle that recourse to temporary labour supplied by employment businesses must remain short-term, under no circumstances being allowed to develop into a device for, in effect, obtaining permanent employees liable to dismissal without notice. The text is, however, flexible in that it permits extension beyond six months where this can be shown to be justified by exceptional circumstances. Furthermore, the duration of assignment is not limited in the case of temporary reductions in workforce – the temporary worker may remain as long as necessary until the permanent incumbent of the post in question takes up/returns to his duties. (Prolonged absences may occur in the event, for instance, of military service, which generally lasts more than six months, and special authorization by the authorities would in such circumstance constitute no extra safeguard for permanent workers).

Excessive rigidity with regard to the duration of assignment must be avoided for fear of encouraging illicit employment. The three-month limit set here corresponds to the legal position in the majority of Member States (though renewal is not permitted in some countries). Available statistics suggest that only 20% of assignments last longer than three months. Finally, it should be pointed out that the Directive sets no specific time limit for fixed-duration contracts concluded directly between the employer and worker (cf. Article 15).

- § 3. This provision is designed to safeguard the interests of permanent workers by ensuring that permanent jobs are not occupied by a succession of temporary workers thereby reducing the volume of secure employment.
- § 4. This paragraph is likely to be most relevant to those countries where the contracts of workers supplied by temporary employment businesses are deemed to be of indefinite duration and the latter thus enjoy the protection accorded to permanent workers.

This Article provides that temporary workers must not be excluded from social security schemes (whether statutory, occupational or the outcome of a corrective agreement specific to the temporary employment sector). Contributions and benefits are to be calculated on the same basis as for permanent workers subject to any special provisions in Member States designed to take account of duration of employment and/or remuneration received. The Commission proposed similar arrangements for part-time workers.

<u>§ 1. and 2.</u> In some Member States, temporary employment contracts (or employment relationships) must (or may) be of indefinite duration. Where this is the case, temporary workers enjoy the protection against dismissal and so forth accorded to permanent workers and the Directive does not provide for any additional safeguards. In contrast, any temporary worker engaged for a fixed duration must be informed in writing either of the date of expiry of his contract or of the task to be completed or of the event whose occurrence will terminate the contract. The Directive does not require that the contract itself be drawn up in writing. It is, however, necessary that the nature of the work, the place of work and working hours, the remuneration to be paid and the allowances due be agreed in writing between the temporary employment business and the worker so that there can be no scope for uncertainty (or lack of proof).

This provision that the conditions of employment must be evidenced in writing will facilitate supervision of the activities of temporary employment businesses and should protect temporary workers against excessively variable work schedules, which interfere with family and social life.

- § 3. The penalty provided for here in the event of a contract not being duly evidenced in writing is already applied in several Member States.
- <u>§ 4.</u> This provision is designed to encourage permanent employment, ensuring that temporary workers are free to change employer whilst employers have the opportunity to engage on a permanent basis temporary workers whose performance they know from experience to be satisfactory.

In the Commission's opinion, the remuneration of temporary workers should preferably be determined by collective agreement at the level of the temporary employment sector or the individual temporary business so as to avoid variations in pay from assignment to assignment.

Failing this, the remuneration of temporary workers must be comparable to that received by workers in the user undertaking occupying equivalent posts (or with the same qualifications, where the job matches the worker's qualifications).

The various wage scales applicable do not always permit strict equality of remuneration — the expression "comparable" is intended to leave some room for variation (above or below the wages of permanent workers) without specifying maximum permissible percentage deviations. Any significant difference in remuneration is likely to have undesirable effects: if temporary workers whose skills are in particular demand receive substantially more than permanent workers, many of the latter may be enticed away from their employers by temporary employment businesses and unrest is likely amongst the employees of user undertakings who are earning less than the temporary workers in question though their qualifications are the same — hence why it is illegal in one Member State to pay temporary workers supplied by employment businesses more than permanent workers.

If, on the other hand, temporary workers earn substantially less than permanent workers (and this generally happens at the lower end of the skill range) flagrant injustices can result. (There are instances in some Member States of temporary workers receiving between 20% and 50% less than permanent workers with the same skills in the user undertaking). The undesirable consequences of such differences in remuneration are particularly severe in the context of the cross-frontier supply of temporary workers.

This Article in no way prevents Member States from stipulating that temporary workers must be paid "not less" than the rate provided for by collective agreement or paid to permanent workers with equivalent qualifications, prohibiting any variation below this level. Methods of calculating remuneration vary from country to country.

In some Member States, allowance is made for the fact that temporary workers are denied annual leave and other service-related benefits enjoyed by permanent workers. Temporary workers sometimes also receive "insecurity of employment bonuses". Whatever the method of calculation, the aim of this Article is to ensure that, overall, the remuneration paid to temporary workers is such as to place them as nearly as possible on a par with permanent workers.

Articles 7 and 18

- § 1. This provision is designed to compensate temporary workers and workers on fixed-duration contract for the loss of the payments and/or other rights due to permanent workers in the event of individual or collective dismissals. The compensation provided for here is, however, only due in the event of the employer terminating the contract before its normal expiry. Since temporary workers supplied by employment businesses (Article 7) or engaged on fixed-duration contract (Article 18) are aware of their temporary status at the time of entering into the contract, they cannot expect compensation for dismissal on the latter's normal expiry. Compensation due in the event of premature termination is equal to the remuneration the worker would have received until normal expiry. This system is already in operation in some Member States and represents the most equitable protection against wrongful dismissal.
- <u>§ 2.</u> Member States may continue to apply national provisions concerning "<u>force majeure</u>" or serious fault on the part of the worker. The Directive leaves them free to define two concepts in line with national law or practice.

This Article provides one means of ensuring that the provisions of the Directive will be properly applied.

The requirements of undertakings as regards operational flexibility must not be allowed to reduce industrial relations procedures to mere formalities. The undertaking must therefore communicate the proper information to worker representatives before having recourse to temporary labour. This provision is in line with national law on this matter in some Member States. The information may be communicated by any means compatible with national law and industrial relations practice: works council meeting, letter, works meeting, communication of information to trade union delegates, etc. The requirement that worker representatives be informed will not apply in the case of recourse to temporary labour purely on grounds of a temporary reduction in work force, the aim being to avoid hindering the operation of the undertaking by delaying the assignment of workers to posts suddenly left vacant.

Article 9

- § 1. and 2. This Article is designed to protect temporary workers, whose working conditions are sometimes very different from those enjoyed by permanent workers in the user undertaking. The protection and rights accorded in the Member States by law, regulation, collective agreement and customary industrial practice must also cover temporary workers. Since the latter frequently accept arduous or dangerous jobs shunned by the user undertaking's permanent workforce, they must at the very least be covered by all the protective provisions currently in force, be properly trained and informed of all relevant matters before assignment to a dangerous job, be subject to medical surveillance if this is necessary for the post in question, etc. Application of this provision should help to bring down the injury rate for temporary workers, which is at present substantially higher than the average for the working population.
 - § 3. Temporary workers must have access to "communal social facilities" on the same terms as other workers. This covers facilities such as company transport, communal installations, restaurants, canteens, bars, showers, staff shops, day nurseries, swimming pools, etc. A similar provision is to be found in the proposal for a Directive on part-time work.

As in the case of its proposal on part-time work, the Commission feels that temporary workers should (in line with national law in some Member States) be included in the count of employees in the user undertaking: failure to do this would be liable to encourage the use of temporary workers supplied by employment businesses as a means of evading obligations linked to the number of workers employed.

This rule should, however, only apply to temporary workers likely to be attached to the undertaking for a reasonable time - hence the exclusion of temporary workers standing in (often for very short periods) for absent permanent workers. It should also be pointed out that this Article applies solely to such obligations under labour law, company law and the like, collective agreements or customary industrial practice as are linked to the number of workers employed. The nature of these social obligations varies from Member State to Member State and the Directive makes no attempt at delimitation. Examples may, however, include the establishment of a body representing employees, a company transport service, a specified number of sanitary facilities, a company medicam service, an infirmary, a day nursery in undertakings employing a specified number of women, etc.

Article 11

Employers might be tempted to break strikes either by using temporary workers supplied for other purposes or by taking on such workers specially a simple and rapid procedure generally more suited to the situation than the engagement of workers on fixed-duration contract. The majority of Member States have prohibited such action. In one case, only "lawful" strikes are protected. The Directive leaves judgment on this particular matter to the national courts.

The formula "to perform the duties of employees who are on strike" leaves it open to employers to use temporary workers for other purposes during a strike - e.g., to ensure safety.

SECTION III - SPECIAL PROVISIONS CONCERNING THE CROSS-FRONTIER SUPPLY OF TEMPORARY WORKERS

Articles 12, 13 and 14

These provisions are designed to ensure mutual assistance and the exchange of information between the national authorities responsible for granting (or withdrawing) authorization to engage in the supply of temporary workers and for supervising the activities of temporary employment businesses. Proper supervision of the cross-frontier supply of temporary workers is impossible without this cooperation and coordination. Arrangements are already in operation in the Member States and the Directive in no sense requires the establishment of new bodies. The Member States will, however, have to ensure that the relevant bodies actually fulfil their role in a satisfactory manner, which is not at present universally the case.

The purpose of these provisions is to resolve problems which cannot at present be satisfactorily handled by national law for lack of coordination and mutual assistance between countries. They should, for instance, make it possible to take effective action against a temporary employment business established in one Member State (sometimes without either authorization or supervision) which supplies labour from a second Member State to user undertakings in a third Member State without, for example, observing the rules as regards social security or "in conditions which are an offence to the dignity of man".(1)

⁽¹⁾ Views expressed in 1980 by the Minister of Labour of one Member State.

51. The aim here is to protect the permanent workforce by restricting recourse to fixed-duration contracts of employment to those cases where the jobs in question are clearly not permanent in character: replacement of absentees or temporary occupation of vacant posts whose new incumbents have yet to take up their duties; temporary or exceptional increases in activity; seasonal activities (harvesting, hotel trade, etc.); execution of an occasional task of a transient nature. The Commission has made provision for the launching of a new activity of uncertain duration in order not to discourage investment which would create permanent jobs if the new activity appears to be profitable after a test period which would be of limited duration although not laid down rigidly in the directive (for example if the new product is successful on the market).

in addition, there are a number of types of job where contracts of indefinite duration are not customary: professional footballers (two- or three-year contracts); contracts for the services of experts; research contracts (financing on the basis of six-month periods); artistic professions. In cases such as these fixed-duration contracts will, given the special nature of the work involved, continue to be permitted.

- § 2. Member States will furthermore be able, if they so wish, to exclude from the application of this Section certain contracts of employment relationships of a special nature such as: training contracts, apprenticeship contracts, contracts of employment combined with vocational training, periods of work experience linked to courses of study, "au pair" positions or contracts concluded under legislative or administrative provisions designed to promote the recruitment of certain categories of worker (e.g., young people or the handicapped). The list of exceptions will need to be drawn up in the course of discussion by the Council and annexed to the Directive. This technique is the same as that used in the "Insolvency" Directive of 20 October 1980 (1) "by virtue of the special nature of the employee's contract of employment or employment relationship".
- § 3. The Commission feels that the range of circumstances(wider than in

⁽¹⁾ Council Directive 80/987/EEC on the approximation of the laws of the Member States relating to the protection of employees in the event of the insolvency of their employer.

the case of temporary labour supplied by employment businesses) in which the Directive permits the engagement of workers on fixed-duration contract is sufficient to meet industry's need for operational flexibility given in particular the allowances made for special needs and customary practices and for the special nature of certain types of contract. Operational flexibility will also be facilitated by the lack of a fixed time-limit such as is to be found in the provisions concerning the supply of temporary labour. Duration is restricted solely in terms of the normal expiry of the contract (which is necessarily not of indefinite duration) in accordance with the Directive. Any breach of the provisions of this Article must therefore be penalized for fear of damaging the interests of permanent workers by tolerating the development of a form of permanent insecure employment - hence the statement in paragraph 3 to the effect that, in the event of such a breach, the contract of employment will be deemed to be of indefinite duration.

<u>s 4.</u> In some Member States, workers on fixed-duration contract generally enjoy the same social protection as permanent workers by virtue of collective agreements, law (labour law, welfare law) or customary industrial practice. Since the Commission's aim is not only to safe-guard the interests of permanent workers (paragraphs 1 to 3) but also to protect temporary workers on fixed-duration contract, paragraph 4 takes account of this, authorizing Member States which do not limit the circumstances in which recourse to fixed-duration contracts of employment is permissable but do protect the workers concerned on the same terms as permanent workers to continue to apply their existing provisions (cf. also comments on Article 3(3)).

<u>Article 16</u>

- § 1 et 2. The explanations given for Article 5 (supply of temporary workers) are valid mutatis mutandis for workers engaged on fixed-duration contract. Where there is to be a probationary period, its duration must be specified in writing so that the worker is aware of the precise situation and can be assured at the end of the period agreed that his contract of employment will continue until its normal expiry.
 - § 3. In some Member States, it is not customary to draw up a written contract in the case of certain categories of worker whose terms of employment and remuneration are laid down by collective agreement (e.g., dockers). There is no reason why this situation should not be allowed to continue since the workers in question benefit from special protection.

The comments made with regard to the remuneration of temporary workers supplied by employment businesses (Article 6) apply mutatis mutandis to the remuneration of workers on fixed-duration contract. It should be noted that the remuneration of such workers (who form part of the undertaking - unlike temporary workers supplied by employment businesses) ought to be determined on the same terms as that of permanent workers occupying equivalent posts in the undertaking (or with the same qualifications, where the job matches the worker's qualifications) and of equivalent seniority where remuneration varies with length of service.

Article 18

See comments under Article 7.

Article 19

The obligation to inform their employees representatives should discourage employers from concluding fixed-duration contracts in circumstances other than those authorized by Article 15.

Article 19 is intended to protect permanent workers against the misuse of workers on fixed-duration contracts but not to delay the conclusion of such contracts. In contrast to Article 8 regulating disclosure requirements in the case of temporary labour supplied by employment businesses this Article does not require that the information be communicated prior to the conclusion of the contracts in question.

It is left entirely to Member States to decide the method of communication (letter, special meeting with a body representing employees or communication of information at an ordinary meeting of such a body, etc.).

Article 20

The comments made in this connection with regard to the supply of temporary workers by employment businesses apply mutatis mutandis to fixed-duration contracts.

This provision is in line with the laws of four Member States. It is intended to protect permanent workers who are on strike. The comments made with regard to Article 11 (supply of temporary workers) apply mutatis mutandis to the use of workers on fixed-duration contract.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 100 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Economic and Social Committee,
Whereas the Council adopted on 18 December 1979 a Resolution on the
adaptation of working time(1) which states with regard to temporary
work that "Community measures in support of action by Member States
should be undertaken to ensure that temporary work is supervised and that
temporary workers receive social protection";

Whereas the European Parliament adopted on 17 September 1981 a Resolution(2) which states that temporary work "is assuming disquieting proportions" and that the Commission should therefore "propose to the Council a clear definition of temporary work and guidelines for ensuring that it is not abused";

Whereas permanent employment must remain the rule; whereas in all cases where temporary workers do not enjoy the same protection as permanent workers recourse to temporary labour should therefore be confined to situations where it is economically justified and restricted in terms of duration of contract;

Whereas action should be taken to eliminate abuses with regard to the two main forms of temporary employment, namely the supply of workers by

⁽¹⁾ OJ Nº C 2, 4.1.1980

⁽²⁾ OJ Nº C 260, 12.10.1981

temporary employment businesses and the

direct recruitment of workers on fixed duration contracts, and temporary labour subcontracting with delegation of authority should be treated as the supply of workers by temporary employment businesses;

Whereas permanent workers must be protected against the misuse of labour supplied by temporary employment businesses or engaged on the basis of fixed-duration contracts;

Whereas employers' operational flexibility must be maintained, in particular where they are subject to short-term fluctuations in staff numbers or economic activity;

Whereas national arrangements for the supervision of the activities of temporary employment businesses vary greatly from one Member State to another and are, indeed, non-existent in certain of them; whereas these disparities distort the conditions of competition between undertakings from different Member States, hindering the operation of the common market, and a solution should therefore be found, notably by means of appropriate arrangements for the authorization and supervision of temporary employment businesses;

whereas steps should be taken to ensure that temporary employment businesses do not become concentrated in those Member States where the laws are least strict and workers are least well protected; whereas these problems cannot be solved at national level alone and should therefore be remedied by approximating the relevant laws while maintaining progress as required under Article 117 of the Treaty;
Whereas the activities of temporary employment businesses are taking on an increasingly international character, with businesses established in one Member State operating in others either by recruiting or supplying labour there or by setting up subsidiaries, agencies or branches there; whereas the disparity of the rules from country to country creates problems at Community level which cannot be solved at national level alone;

Whereas temporary employment businesses should be prevented from exploiting

the rules on freedom to provide services and freedom of movement for workers in such a way as to avoid the rules applicable in other Member States,

HAS ADOPTED THIS DIRECTIVE :

This Directive relates to temporary work as opposed to permanent work.

For the purposes of this Directive the following definitions shall apply:

- a) Permanent work : Regular employment undertaken pursuant to a contract of employment or e:ployment relationship of indefinite duration.
- b) Supply of temporary workers: The activity engaged in by any natural or legal person regularly entering into contracts of employment or employment relationships with workers in search of jobs for the purpose of placing these workers temporarily at the disposal of another business for the performance of an assignment.
 - The term "supply of temporary workers" shall also be deemed to cover activities engaged in pursuant to contracts which, whilst ostensibly relating to temporary labour subcontracting, in reality involve the delegation of authority to the user undertaking.
- c) Temporary worker: Any worker who enters into a contract of employment or an employment relationship with a temporary employment business for the purpose of carrying out an assignment with a user undertaking.
- d) Permanent worker: Any worker who enters into a contract of employment of indefinite duration with an employer.
- e) Temporary employment business: Any natural or legal person entering into temporary employment contracts or temporary employment relationships in the capacity of employer.
- f) Temporary employment contract: The contract or employment relation—ship entered into by the temporary employment business and the temporary worker.
- g) <u>User undertaking</u>: Any natural or legal person to whom workers are supplied within the meaning of point (b).
- h) Labour supply contract: The contract between the temporary employment business and the user undertaking by virtue of which a temporary worker is placed at the disposal of the user undertaking for the performance of an assignment.
- i) Assignment: A temporary job of work performed by a temporary worker for a user undertaking.
- j) Fixed-duration contract of employment: Any contract of employment
 or employment relationship establishing a direct legal relationship between a worker and an employer, whose termination of which is determined
 by objective conditions such as a specified date of expiry, completion
 of a specified task or the occurrence of a specified event.

SECTION II - SUPPLY OF TEMPORARY WORKERS

Article 2

- 1. Member States shall ensure that no temporary employment business may pursue its activities without obtaining authorization from the competent authorities. They shall moreover ensure that the activities of businesses so authorized are adequately supervised.
- 2. Any Member State (host country) may prohibit the pursuit of activities within its territory by a temporary employment business authorized in another Member State (country of origin) if the business concerned does not fulfil the specific conditions which the host country imposes on its own nationals in the general interest.
- 3. It shall be unlawful to engage in the supply of temporary workers without the authorization referred to in this Article. Where temporary workers have been supplied unlawfully, the user undertaking shall bear a secondary liability, in the event of default by the temporary employment business, for the social security contributions, remuneration and other benefits due to the temporary workers concerned including, where appropriate, the cost of repatriation.

- 1. Labour supply contracts may be concluded only in the following circumstances:
 - a) a temporary reduction in the workforce, or
 - b) a temporary or exceptional increase in activity.
- 2. In cases covered by paragraph 1 (b), the maximum duration of each assignment shall be three months, renewable once. An extension beyond six months may, however, be authorized by the competent authorities where it can be shown that this is justified by exceptional circumstances.
- 3. No post shall be occupied by successive temporary workers after expiry of the periods fixed in paragraph 2.
- 4. Member States may derogate from the provisions of paragraph 1 where the social benefits accorded by virtue of labour law, collective agreements or customary industrial practice in the undertaking are enjoyed by temporary workers on the same terms as permanent workers.

Temporary workers may not be excluded from social security schemes and their contributions and benefits shall be calculated on the same basis as for permanent workers, subject where applicable to special provisions taking into account the duration of employment and/or the remuneration received.

- 1. Where a temporary employment contract is not of indefinite duration the duration of employment shall be clearly defined in writing in terms either of a specified date of expiry or of completion of a specified task or of the occurrence of a specified event.
- 2. In addition, the nature of the work to be performed, the place of work and working hours, the agreed remuneration and the allowances to which the temporary worker is entitled shall be defined in writing as between the temporary employment business and the worker.
- 3. In the event of the contract not being duly evidenced in writing, it shall be subject to the rules governing contracts of employment of indefinite duration.
- 4. Clauses prohibiting the conclusion of a contract of employment between the user undertaking and the temporary worker after the completion of the latter's assignment shall be null and void or capable of being declared so.

Clauses compelling the user undertaking to pay compensation to the temporary employment business in the event of the conclusion of such a contract of employment shall likewise be null and void or capable of being declared so.

Unless laid down within the framework of collective agreements concluded within the temporary employment business or for the temporary employment' sector, the remuneration received by a temporary worker shall be comparable to that received by workers occupying equivalent posts in the user undertaking or that provided for in the collective agreement for the sector concerned.

- 1. In the event of a temporary employment contract being terminated by the temporary employment business before the date of expiry specified, before completion of the task specified or before occurrence of the event specified, the temporary worker shall be entitled to compensation equal to the remuneration which he would have received had the contract not been terminated early.
- 2. The provisions of paragraph 1 shall be without prejudice to the application of national law concerning "force majeure" or serious misconduct on the part of the worker.

Procedures for informing workers

1. The user undertaking shall be required to inform the representatives of its emp¹oyees before having recourse to temporary workers on the basis of Article: 3(1) (b) or (4).

To this end, the user undertaking shall be required to communicate in writing to the representatives of its employees all pertinent information with regard in particular to:

- the reasons for having recourse to temporary workers, except in the case of the application of Article 3(4):
- the duration of the assignments involved;
- the number of temporary workers involved;
- the occupational qualifications required;
- the intended level of remuneration (information to be provided to the user undertaking by the temporary employment business, if necessary);
- the amount to be paid by the user undertaking to the temporary employment business;
- the place and hours of work and the particular nature of the jobs to be performed.

<u>Article 9</u>

- 1. Temporary workers shall, for the duration of their assignment, be subject to the laws, regulations, and administrative and collectively agreed provisions, and the customary practices in force in the user undertaking as regards working conditions.
- 2. Working conditions shall include all matters relating to working hours, night work, weekly rest periods, public holidays, safety and health, and special medical surveillance to the extent that the rules in force require this for the work in question.
- 3. Temporary workers shall have access to any communal social facilities provided in the user undertaking.

Temporary workers supplied on the basis of Article 3(1)(b) or ,(4) shall be deemed to form part of the user undertaking's workforce for the purposes of determining such of that undertaking's social obligations under law, collective agreements or customary industrial practice in the undertaking as are linked to the number of workers employed.

Temporary workers shall not be recruited or used to perform the duties of employees who are on strike.

SECTION III - SPECIAL PROVISIONS

THE CROSS-FRONTIER SUPPLY OF TEMPORARY WORKERS

- Member States shall exchange all information on the supply of temporary workers by employment businesses.
 To this end, they shall designate liaison offices, either assigning this task to an existing body or creating a new body for the purpose. The
 - task to an existing body or creating a new body for the purpose. The relevant details shall be communicated to the other Member States and the Commission.
- 2) The liaison offices shall exchange information relating to:
 - laws, regulations and administrative provisions in force with regard to the supply of temporary workers;
 - any amendments thereto.
- 3) Each liaison office shall inform the liaison offices in the other Member States as quickly as possible of decisions concerning the refusal, suspension or withdrawal of authorization. The liaison offices shall further inform each other of any abuses arising in connection with the application of laws, regulations and administrative provisions on the supply of temporary workers.
- 4) The information referred to in paragraph 3) shall also be communicated for information purposes, to the European Co-ordination Office and the Technical Committee on the Free Movement of Workers established by Council Regulation (EEC) No 1612/68 (1).

⁽¹⁾ OJ Nº L 257, 19.10.1968, p.2.

- 1) Member States shall, with a view more particularly to ensuring effective mutual assistance in administrative matters, take the necessary steps to establish genuine coordination and cooperation between the authorities responsible for matters concerned with the supply of temporary workers.
- 2) The assistance referred to in paragraph 1) shall consist in particular in replying directly and without undue delay to any reasoned request for information concerning problems with regard to the supply of temporary workers, apparent abuses and possible cases of unlawful cross-frontier activities within the meaning of this Directive. Mutual administrative assistance shall be provided free of charge.
- 3) The authorities of the Member States shall assist each other in connection with:
 - the consideration of applications for authorization to engage in the supply of temporary workers;
 - the supervision of authorized temporary employment businesses;
 - the prosecution of unauthorized temporary employment businesses;
 - the detection and prosecution of businesses engaged in the supply of temporary workers under cover of temporary labour subcontracting;
 - the payment of the unsatisfied claims of temporary workers carrying out assignments in a Member State other than that in which the temporary employment business has been declared insolvent in accordance with Council Directive 80/987/EEC (1).

⁽¹⁾ OJ No L 283, 28.10.1980, p.23.

The Advisory Committee on the Free Movement of Workers created by Regulation (EEC) No 1612/68 shall be responsible for reviewing the results of the exchanges of information, collaboration and mutual assistance between Member States provided for in this Directive.

SECTION IV - FIXED-DURATION CONTRACTS

Article 15

- 1. An employer may conclude a fixed-duration contract of employment only in the following circumstances:
 - (a) to cope with a temporary reduction in the workforce;
 - (b) to cope with a temporary or exceptional increase in activity or seasonal activities;
 - (c) for the execution of a clearly defined occasional task of a transient nature;
 - (d) where the special nature of the work is such as to justify the conclusion of fixed-duration contracts and contracts of employment of indefinite duration are not customary;
 - (e) in connection with the launching of a new activity of uncertain duration.
- 2. Member States may exclude certain contracts of employment or employment relationships from the application of this Section by reason of their special nature or of the special needs of certain sectors of activity.

Such contracts are listed in an annex to this Directive.

- 3. In the event of a breach of the above provisions, the contract of employment shall be deemed to be of indefinite duration.
- 4. Member States may derogate from the provisions of paragraphs 1 and 3 where workers engaged on fixed-duration contract enjoy the social benefits accorded to permanent workers by virtue of labour law, collective agreements or the customary industrial practice of the undertaking.

- 1. The duration of employment shall be clearly defined in writing in terms either of a specified date of expiry or of completion of a specified task or of the occurrence of a specified event.
- 2. In addition, the nature of the work to be performed, the place of work and working hours, the agreed remuneration and the worker's entitlements with regard to annual holiday payments shall be defined in writing as between the employer and the worker; the document setting out this information shall also specify the duration of any probationary period.
- 3. In the event of the contract not being duly evidenced in writing, it shall be subject to the rules governing contracts of employment of indefinite duration, except where the terms and conditions of employment of a specified category of workers are defined by a collective agreement.

Unless laid down within the framework of collective agreements concluded within the undertaking or at sectoral level, the remuneration of a worker on fixed-duration contract shall not be less than that received by permanent workers occupying equivalent posts.

- 1. In the event of a fixed-duration contract being terminated by the employer before the date of expiry specified, before completion of the task specified or before the occurrence of the event specified, the worker shall be entitled to compensation equal to the remuneration which he would have received had the contract not been terminated early.
- 2. The provisions of paragraph 1 shall be without prejudice to the application of national law concerning "force majeure" or serious misconduct on the part of the worker.

The employer shall be required to inform the representatives of his employees when he recruits workers on fixed-duration contract.

Workers on fixed-duration contract shall be deemed to form part of the workforce for the purposes of determining such of the undertaking's social obligations under law, collective agreements or customary industrial practice in the undertaking as are linked to the number of workers employed.

Workers employed on limited-duration contract shall not be recruited or used to perform the duties of employees who are on strike.

SECTION V - FINAL PROVISIONS

Article 22

- 1. Member States shall bring into force the necessary laws, regulations and administrative provisions to comply with this Directive not later than 1 January 1984 and shall forthwith inform the Commission thereof.
- 2. Member States shall communicate to the Commission the texts of the laws, regulations and administrative provisions which they adopt in the field covered by this Directive.

Article 23

Within two years following expiry of the period laid down in Article ²², Member States shall transmit all relevant information to the Commission in order to enable it to draw up a report on the application of this Directive for submission to the Council.

Article 24

This Directive is addressed to the Member States.

Done at

For the Council