<u>Commission continues work on fair and</u> <u>predictable employment contracts –</u> <u>Questions and Answers</u>

<u>IP/17/3367</u>

What is the Written Statement Directive and why does the Commission consider modernising the rules on labour contracts?

The Written Statement Directive exists since 1991 and gives employees starting a new job the right to be notified in writing of the essential aspects of their employment relationship. The aim of this Directive is to make sure workers are aware of their rights.

The world of work has been and is changing rapidly and new forms of work have emerged. As a consequence, the current Directive no longer covers all types of employment relationships. Under the framework of the European Pillar of Social Rights, the Commission therefore launched a social partner consultation to revise the Directive, so that it would reflect labour market changes.

In addition, the Commission's evaluation of the Directive so far showed that many workers in the EU do not receive a written confirmation of their working conditions or do not receive all the information they need in a timely manner. This includes domestic workers and those who perform on-call work. Moreover, whatever the level of information provided to workers, some practices in some precarious labour relationships may be detrimental to workers, especially as regards casual work: According to a <u>report</u> by the <u>European Foundation for the Improvement of Living and Working Conditions</u> (<u>Eurofound</u>), casual work (such as zero-hour contracts) raises particular concerns about working conditions and is characterised by low levels of job and income security.

What changes to the Directive are being considered?

Three areas for action are considered. First, the scope of the directive could be clarified, encompassing all workers, including those on short-term assignments or those having new and atypical employment relationships. Second, the revision could reinforce the principle of written information about applicable working conditions and update the list of required elements, for instance with the working schedule, conditions of a probation period or overtime. Third, beyond proper information in writing in a timely manner, the modernised rule could also establish some basics right such as the right to a degree of predictability of work for workers with very flexible contracts or the right to a maximum duration of a probation period.

How are social partners consulted?

As laid down in the Treaty of the Functioning of the European Union, Article 154 TFEU, the Commission has the duty to consult European social partners prior to presenting any legislative proposal in the social field. The consultation must follow a compulsory two-stage procedure. In the first stage the Commission consults the social partners on the possible direction of an initiative. In the second stage, the focus is on the content of an initiative. This process gives the European social partners the possibility to be directly involved and influence the drafting of social proposals. Moreover, social partners may suspend the Commission initiative whilst deciding to enter into negotiations themselves. If this does not happen, the Commission can review the current Directive. The Commission intends to propose a revision of this directive by the end of the year.

What is the position of the social partners after the first stage of the consultation?

The first stage consultation of social partners showed diverging views from workers and employers organisations. While the worker's organisations agreed with the need to enhance the effectiveness of the Written Statement Directive and the goal to improve the working conditions for vulnerable workers, a large majority of employers' organisations rejected those ideas. Therefore the social partners were not in a position to initiate formally the joint negotiation process provided for in Article 155 TFEU. However, they reserved the possibility to do so in the context of the second phase consultation.

In addition to revising the Written Statement Directive, how does the EU deliver on the European Pillar of Social Rights?

On 26 April 2017, parallel to the presentation of the <u>European Pillar of</u> <u>Social Rights</u> itself, the Commission put forward a number of initiatives related to work-life balance, the information of workers, access to social protection and working time. They all aim at different aspects of the Pillar. The package includes in particular a legislative proposal for a <u>Directive on</u> <u>Work-Life Balance for Parents and Carers</u> to give families real choices when the birth of a child or a close relative in need of care make more flexible working arrangements necessary. The proposed measures are intended in particular to increase possibilities for men to take up parental and caring responsibilities. This will benefit children and help increase women's participation in the labour market, thereby reducing the difference between men and women in employment which stood in 2015 still at 11.6%p and increases even to 30% when families have young children under the age of 6. This proposal is now under discussion in the European Parliament and Council.

As regards the <u>Written Statement Directive</u> and <u>access to social protection</u>, the Commission launched consultations with social partners, while it provided legal guidance to the <u>Working Time Directive</u> in line with a growing body of case law. Also national reforms would be encouraged through policy guidance and coordination in the framework of the <u>European Semester</u>. This will be supported by the new <u>social scoreboard</u> put forward with the 26 April package. This monitoring tool will replace the current scoreboard of key employment and social indicators to better monitor societal progress at large. Most of the tools to deliver on the Pillar are in the hands of local, regional and national authorities, as well as social partners, and civil society at large. The European Union — and the European Commission in particular — can help by acting in areas where it shares a competence, by setting the framework, giving the direction and establishing a level-playing field, in full respect of specific national situations and institutional setups.

What is the Commission planning on doing on access to social protection?

As a first step, when presenting the European Pillar of Social Rights, the Commission has launched a consultation of the Social Partners to collect their views on the possible direction of an EU action to ensure that people in all forms of employment have adequate access to social protection and employment services. The Commission will take the next step by launching a second stage consultation shortly this autumn.