



## SPEAKING NOTES

### **EUROCIETT STAKEHOLDERS CONFERENCE 2008 BRUSSELS, 10 JUNE 2008**

#### **SPEAKING NOTES FOR JØRGEN RØNNEST ACTING DIRECTOR, SOCIAL AFFAIRS**

- Temporary agency work is an integral part of well functioning labour markets and part of the solution to Europe's problems. It is an important tool allowing companies to adjust their manpower to deal with peaks of activity or to have access to specialized skills needed for a limited period of time. Temporary agency workers are a particularly precious help in newly created companies at an early stage of development and in SMEs. For job seekers, it increases employability and can serve as a stepping stone to permanent jobs. More than fifty percent of the temporary agency workers who look for a permanent position do find one while on assignment or shortly afterwards.
- The nature and extent of agency work varies considerably between EU Member States. In the Netherlands and the UK, agency workers account for 2.5% and 5% respectively of the total workforce compared to, for example, 0.6% in Finland and Italy. There are various reasons for the different size of agency work in different countries such as cultural preferences, the strictness of employment protection legislation for standard contracts etc.
- However, an important explanatory factor is the fact that in many Member States, temporary agency work is still constrained by unjustified or out-dated restrictions. For example, in Greece strict limits on duration apply as a user company may not employ temporary agency workers for a total period of more than eight months whereas in Belgium agency work is not allowed in the public sector. Addressing such sectoral or occupational restrictions or strict limits on duration (but also rigid provisions regarding the reasons for use or licensing and monitoring) is a matter of priority if we are to fully exploit the potential contribution of agency work to the Growth and Jobs Strategy, in particular to achieve the 70% employment rate.
- Temporary Agency Work also has an important role to play in the context of the flexicurity, in particular with respect to the modernization of labour law and ensuring the availability of a variety of contractual arrangements. Agency work can improve flexibility and security on the labour market by facilitating transitions, improving the match between labour demand and supply, etc.

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