The EU directive on fixed-term contracts at company level

– Effects and Influences in Denmark

A summary of the main conclusions of a report to the Danish Local Government and the Association of Local Government Employees’ Organisations.

Trine P. Larsen, FAOS - September 2008
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September 2008
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Abstract

This report examines the effects and influences of the EU’s directive on fixed-term contracts in the Danish local government sector. The study is based on interviews with 259 workplaces, central management and trade union representatives from 14 randomly selected Danish municipalities. The report argues that although social partners at local level have transposed the directive, its actual effects are limited, as employers’ recruitment strategies and fixed-term workers’ working conditions have changed relatively little as a result of the directive. However, the directive has been more influential among municipalities, which have transposed the directive through local implementation initiatives and have more centralised procedures for regulating wage- and working conditions, particularly if the individual workplaces have no trade union representative.
Acknowledgement

KL and KTO asked FAOS to examine the effects of the EU’s directive on fixed-term contracts in the Danish local government sector during the summer of 2007. In the local government sector, the directive has been implemented through a collective agreement signed by KL and KTO. The aim of this study was to examine the effects of this agreement on fixed-term workers’ working conditions in the Danish local government sector.

KL and KTO financed the study and the main results are summarised in this report. In agreement with KL and KTO, FAOS has used a sociological approach, where the aim has been to examine how fixed-term contracts are used and experienced by Danish municipalities. The definitions and concepts used in the report are therefore not systematically described from the perspective of labour law. KL and KTO has, through the working group, agreed that this report cannot be part of any legal disputes.

It would have been impossible to write this report without the help of many people. First and foremost, I would like to thank all the workplaces, trade union and employer representatives for taking part in this study.

I also would like to thank the members of the working group which consisted of Helle Krogh Basse (KTO), Lars Feldt Andersen (BUPL), Troels Østergaard (DLF), Asbjørn Andersen (FOA), Henrik Schilder (KL), Nanna Kolze (KL) and Steen Rasmussen (KL), who throughout the study contributed with information on fixed-term workers and commented on the report.

Special thanks also to all my work colleagues at FAOS. In particular, Mikkel Mailand and Søren Kaj Andersen for their comments and sometimes critical remarks on earlier drafts; Jens Arnholtz and Mikkel Møller Johansen for their help with SPSS; Søren Østergaard, Malte Conrad and Sabine Eilertsen for their help with the phone interviews and transcription of the interviews.

Trine P. Larsen
Copenhagen September 2008
List of Abbreviations

AC: The Danish Confederation of Professional Associations
BUPL: The Danish National Federation of Early Childhood Teachers and Youth Educators
CEEP: The European Employers Association for the Public Sector
ETUC: The European Trade Union Congress
FTF: Confederation of Professionals in Denmark
KL: The Local Government Denmark
KTO: The Association of Local Government Employees’ Organisations
LO: The Danish Confederation of Trade Unions
UNICE: Union of Industrial and Employers Confederations in Europe
1. Introduction

The number of European employees working on fixed-term contracts has increased steadily during the last two decades. However, the EU has only recently passed legislation to regulate this area, despite several proposals from the European Commission in the past. After an invitation from the European Commission in 1999, the European social partners signed a framework agreement on fixed-term contracts to ensure reasonable working conditions for fixed-term workers and to achieve a greater balance between labour market flexibility and security. The agreement on fixed-term contracts, which excluded temporary agency workers, was later adopted as a directive by the Council of ministers. The deadline for implementing the directive was July 2002.

This report examines the effects and influences of the EU’s directive in the Danish local government sector, where the directive was implemented through collective agreements. Focus is mainly on the implementation process at local level and the extent to which the working conditions of fixed-term workers and employers’ recruitment strategies have changed following the implementation of the directive. The report concludes that although social partners at local level have transposed the directive, its actual effects are limited. Despite the directive’s principle of non-discrimination a relatively large group of fixed-term workers continue to face discrimination when it comes to local wage negotiations, access to further education, pension and work-related activities. Although increased flexibility was one of the directives objectives paradoxically, the directive appears to have reduced rather than increased flexibility in the labour market. Danish employers seem less likely to employ fixed-term workers due to increased red tape, although in general they are more aware of the rules and regulations regarding fixed-term contracts.

The success of implementing the directive largely depends on regulation methods at EU, national and local levels as well as the institutional set up for regulating wage- and working conditions at local level, also the size of the individual workplaces seems crucial. Indeed, the directive has been more influential among municipalities which have developed local implementation initiatives and have more centralised procedures for regulating wage- and working conditions, particularly if the individual workplaces have no trade union representative.

In the following, the European literature regarding the effects of the implementation of European directives is firstly briefly reviewed before analysing the negotiation and implementation process of the Directive on Fixed-Term Contracts at EU and national levels. The effects and influences of the directive on employers’ recruitment strategies and fixed-term workers’ working conditions in the Danish local government sector are then examined.
2. Regulating Social Europe through Directives - An Analytical Framework

Today, EU regulation dominates parts of member states’ labour market regulation. A series of studies have revealed that member states often fail to comply with EU directives (Mastenbroek, 2005: 1108; Falkner et al, 2005: 217). However, relatively few studies have analysed the impact of European directives at local level, particularly the effects and influences of EU directives on individual employers’ recruitment strategies and the working conditions of employees. Despite this, commentators often argue that due to the structure of the EU system the risk of non-compliance and implementation delays are greater at local than confederal or sectoral levels (Treib, 2006: 18; Blom-Hansen., 2005: 628-9; Eberlin and Grande, 2005: 99). In this context, the EU is often characterised as a system of multi-level governance, where negotiations and competencies are spread across the supra-national, national, regional and local level (Marks et al, 1996; Marginson and Sisson, 2004: 25).

The responsibility for implementing EU directives is delegated to member states, which are obliged to transpose the directives according to EU law. Member states can leave parts of the implementation to social partners at sectoral and local levels, and this possibility, along with the directives’ minimum objectives rather than detailed legislation, often account for the limited effects of directives’ (Treib, 2006; Streeck, 1995: 45; Richardson, 1996: 280). However, some commentators also argue that compliance with the common objectives and targets of policies increases when local stakeholders are involved in the design and implementation of policy as they feel responsible for these policies (Traxler, 2003: 197). Indeed, much implementation literature states that the implementation success of a particular policy, such as a directive, largely depends on local stakeholders’ willingness to collaborate, their understanding and compliance with the objectives of the policy (Barrett, 2004: 252 Lipsky, 1980, Hill and Hupe, 2007: 285; Dimatrakopoulos and Richardson, 2001). Therefore, the coordination between central and local levels appears decisive for the success of European directives, especially when the implementation is left to social partners at sectoral and company level as is the case in Denmark (Madsen, 2002: 315-6; Van der Meer et al, 2005: 351). Coordination is here defined as a) the institutional set up for communication and control between social partners at national and local levels when regulating wage- and working conditions through social dialogue and b) the European, national and local regulation methods, which to a varying degree leave the implementation to local authorities or social partners at company level.

The institutional set up for communication and control between social partners at central and local levels largely depends on the national system of collec-
tive bargaining. Within the industrial relations literature the concepts of disorganised versus organised, centralised or coordinated decentralisation are often used to capture the recent decentralisation process within European Industrial Relations Systems and thereby ways to regulate European labour markets (Ferner and Hyman, 1998; Traxler, 1995; Due and Madsen, 2008). The two concepts also represent two extremes on a continuum of ways to regulate wageside and working conditions through social dialogue. Disorganised decentralisation entails limited or non-existent control and coordination from central level along with single-employer negotiations and limited influence of trade unions. Organised, centralised or coordinated decentralisation includes extensive control and coordination from central level as well as a reproduction of central producers and structures at local level to maintain social partners’ channels of influence (Traxler, 1995; 2003; Due and Madsen, 2008). The central level is here defined as the peak-organisations of the local government sector, the municipalities’ central management and local trade unions, which to a varying degree limits the autonomy of social partners at individual workplaces, depending on the system of regulation.

Within the two extremes of regulating the labour market through social dialogue, a series of regulation mechanisms exist. Indeed, Danish municipalities responded differently to the decentralisation process of the public sector in 1980s and as a result municipalities have to varying degrees decentralised bargaining power to individual workplaces and reproduced central procedures and structures for collective bargaining at individual workplaces (Aringa, 2001:10; Navrbjerg, 2004: 10-12). Therefore, the regulation mechanisms used at local level vary across the continuum of organised and disorganised decentralisation, which is why this report distinguishes between three regulation mechanisms within the public sector’s system of collective bargaining; centralised regulation, semi-regulation and self-regulation. Centralised regulation refers to centralised negotiations on wage- and employment conditions, leaving limited or no scope for local bargaining at individual workplaces. Semi-regulation is where social partners at individual workplaces have acquired some bargaining powers but are still under the control of municipalities’ central management in terms of signing employment contracts ensuring that contracts comply with EU and national law and agreements. With respect to self-regulation, the control from central level is limited and social partners at individual workplaces have autonomy to negotiate wage- and working conditions as well as employ, sign employment contracts and dismiss employees without interference from central level.

With respect to the European and national regulation methods, research has shown that the directive’s content and the flexibility of its objectives are decisive for its effects at national level (Larsen and Andersen, 2007; Van der Meer et al, 2005; Falkner et al, 2005: X). The content refers to whether the
directive includes rules and procedures which reflect a pre-existing practice at national or local levels; whilst the flexibility of the directive’s objectives concerns the coordination mechanisms used. Van der Meer et al. (2005: 355) distinguish between three coordination mechanisms between local and central level when regulating European labour markets through directives; mandatory obligations (limited or non-existent autonomy by local partners to negotiate and change the directives’ objectives), semi-mandatory obligations (give scope for local agreements which are within the framework of the directives) semi-semi mandatory- or voluntary obligations (allow local agreements beyond the rules of the directive). A specific directive often includes a combination of all three coordination mechanisms. For example, clauses on non-discrimination and measures to prevent abuse of successive fixed-term employment contracts within the Directive on Fixed term contracts are mandatory obligations which are not subject to negotiation at local level. The directive’s clause on objective conditions allows social partners at local level to deviate from the directive and therefore represents a semi-mandatory obligation. The ability to include trainees and young people under education reflects a voluntary obligation, as social partners can exclude or include these groups. Similar to the different institutional set-ups at local level, the three coordination mechanisms allocate social partners at central and local levels different roles and scope for negotiations depending on the specific clauses within the directive on fixed-term contracts.

The effects and influences of the EU’s directive in terms of the choice of implementation method at local level and the final implementation results largely depend on the interplay between the degree of decentralisation and the flexibility of the directive’s objectives with may vary from one municipality to another depending on the local conditions. We differentiate here between three local implementation methods; information activities, guidelines for good practices and local agreements. The latter are legally binding agreements by social partners, whilst guidelines for good practice describe the local practice for regulating fixed-term contracts and information activities refer to announcements, pamphlets and seminars about the directive. The delivery of policy or the final implementation results refers to whether municipalities’ central management and employers at individual workplaces have changed recruitment strategies and the working conditions of fixed term workers have improved as a result of the EU’s directive.

This analytical framework will be used in the following to examine the effects and influences of the EU’s directive on fixed-term contracts at local level based on the methods and data-set presented below.
3. Methods and Data-set

The analysis is based on 259 phone interviews with randomly selected employers at individual workplaces in the Danish local government sector, conducted during Spring 2007. These workplaces represent approximately 20 per cent of local schools, elder care services, childcare facilities, administrative bodies and traffic/recycling institutions within 14 randomly selected municipalities from across Denmark. A further 27 interviews were conducted with central management and local trade union representatives in the 14 municipalities. These interviews were face-to-face and recorded and then transcribed. They were analysed using a common coding scheme. The characteristics of the selected municipalities varied with respect to the number of inhabitants and the ways they regulated wage- and working conditions through social dialogue. Table 1 shows an overview of the institutional set up for regulating wage- and working conditions in the selected municipalities.

Table 1: Overview of the selected municipalities’ regulation system for wage- and working conditions

<table>
<thead>
<tr>
<th>Region</th>
<th>Centralised regulation</th>
<th>Semi-regulation</th>
<th>Selfregulation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Central management responsible for dismissal, signing of employment contract and wage contract and wage negotiation</td>
<td>Central managements signs and control only employment contracts</td>
<td>No or limited control from central management</td>
</tr>
<tr>
<td>Northern Jutland</td>
<td>Case1 - Case2</td>
<td></td>
<td>Case13</td>
</tr>
<tr>
<td>Southern Denmark</td>
<td>Case3</td>
<td></td>
<td>Case5*</td>
</tr>
<tr>
<td>Zealand</td>
<td></td>
<td></td>
<td>Case14</td>
</tr>
<tr>
<td>Central Jutland</td>
<td>Case12 - Case 11**</td>
<td></td>
<td>Case9</td>
</tr>
<tr>
<td>Greater Copenhagen</td>
<td>Case10*</td>
<td></td>
<td>Case8</td>
</tr>
</tbody>
</table>

Note: *Depends on the different sector within the municipality. ** excludes wage negotiations.

Four municipalities belong to the category of centralised regulation. They have centralised wage negotiations and rules and procedures regarding dismissal, but have decentralised parts of employment procedures. In addition, the central management within these municipalities signs and controls the employment contracts. Other aspects regarding working conditions such as recruitment of employees, access to further education, short-term leave and information on vacancies are regulated at the individual workplace. Self-regulation characterises
the form of regulations in another four municipalities as the responsibility of regulating wage, employment, dismissals and working conditions is left to the individual workplaces rather than central management. Six municipalities have chosen a third way of regulating wage- and working conditions – semiregulation - where central management only sign the employment contracts whilst everything else is regulated at the individual schools, day-care, residential homes etc. Although the municipalities regulate wage and working conditions differently, they have mainly reproduced the central structures and procedures for collective bargaining at the workplace, which particularly ensure that employees are equally represented. Nearly all municipalities have workplaces with less than five employees and thereby no trade union representatives, as the general rule in Denmark is that workplaces with less than five employees, including fixed-term workers, have no right to appoint a trade union representative. This is equivalent to 7 per cent of the selected workplaces, where in particular childcare and recycling/traffic institutions have no trade union representatives. The failure to reproduce central procedures and structures for collective bargaining at local level may influence the effects of the Directive on fixed-term contracts in the Danish local government sector.

In the following, we first briefly describe the political process behind the directive on fixed-term work at EU and national levels before examining the effects and influences of the directive at local level in terms of local implementation strategies and the potential changes of local employers’ recruitment strategies and fixed-term workers’ employment conditions.
4. Negotiating and Implementing the Directive on Fixed-Term contracts at EU and national level

Fixed-term contracts have increased steadily over the last two decades and recent figures suggest that approximately 15 per cent of the European workforce is employed on such contracts (Eurostat, 2006: 7). In Denmark, fixed-term workers amount to 10.2 per cent of the workforce (Danmarks Statistik, 2006). This number is slightly higher in the Danish local government sector according to Danish interviewees, where around 11 per cent of the workforce consists of fixed-term workers. Although Denmark, similar to most other European countries, has a long tradition of using fixed-term contracts, some member states including Denmark, had limited or no regulation on fixed-term contracts prior to the EU’s directive. Indeed, member states’ past regulation on fixed-term contracts varied across Europe and in most member states this type of employees had limited access to occupational pensions schemes, social security, further training and information about vacancies (EIRO, 1998: 2ff.; 1999: 4). To ensure that the growing number of fixed-term workers had working conditions similar to permanent employees and to avoid social dumping, the European Commission repeatedly tried to pass legislation on fixed-term contracts during the 1980s and early 1990’s (Vigneau mfl., 1999: 1). However, things began to change in 1995 when the European Commission invited the European social partners to negotiate a framework agreement on fixed-term contracts. Although the European Commission’s first invitation included one directive regulating different forms of atypical work such as part-time work, fixed-term contracts and temporary work, European social partners decided to enter negotiations on part-time work first and thereafter on fixed-term contracts (EIRO; 1997: 1).

The negotiation process of BusinessEurope (former UNICE), the employer of the public sector (CEEP) and the European Trade Union Congress (ETUC) were dominated by a series of controversies which nearly caused the negotiations on fixed-term contracts to collapse (Ahlberg, 1999: 25-7). For instance, the employers repeatedly opposed ETUC's demands to introduce a maximum limit for successive fixed-term contracts and to use objective reasons to justify all fixed-term contracts. The issues of excluding temporary agency workers and allowing fixed-term workers access to occupational pension schemes were also highly controversial (Ahlberg, 1999: 21; EIRO, 1999: 1-2). However, BusinessEurope, CEEP and ETUC overcame their differences and signed a framework agreement on fixed-term contracts in March 1999, which was adopted as a directive by the Ministry of Council in June 1999 (Council Directive 1999/70EC). The directive on fixed-term contracts aims to improve the working conditions of fixed-term workers by ensuring the principle of nondiscrimination and by preventing abuse of successive fixed-term contracts. It consists of eight clau-
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The directive on Fixed-term contracts at company level includes a definition of fixed-term workers and states the rights and working conditions of fixed-term workers (Council Directive 1999/79/EC). The directive also stipulated the implementation deadline as July 2002, allowing member states to use a combination of implementation methods such as collective agreements, legislation, and administrative provisions.

Most European member states have transposed the directive into national law (Schöman et al., 2003: 15-7). However, the Danish government, in agreement with national social partners, decided to implement the directive according to Danish labour market traditions. The directive is, therefore, regulated through collective agreements and subsidiary legislation, which covers groups on the labour market without a collective agreement (SEC; 2006:4ff; Andersen, 2002). In the local government sector, KL, Danish Regions, the Municipality of Copenhagen, the Municipality of Frederiksberg, and their counterpart KTO, implemented the directive by signing a framework agreement on fixed-term contracts in 2002. KL also provided administrative provisions on fixed-term contracts that KTO had commented on (KL 2002). Similar to the European negotiation process, the national implementation process was dominated by controversies. A highly controversial issue was the interpretation of the term ‘objective conditions’ in the directive, where KTO, similar to ETUC, demanded an upper limit for successive fixed-term contracts. Their argument was that it was nearly impossible to define common objective conditions that would apply to all their affiliates (Akademikerne, 2002: 41). KL and KTO managed to reach a compromise consisting of an open-ended list of objective conditions. They also agreed to follow the practice of the Danish legal system regarding the renewal of fixed-term contracts, where the upper limit was two to three times (KL et al., 2002: 14). In addition, KL and KTO decided to allow their affiliates at sectoral and local level to sign agreements that move beyond KL and KTO’s framework agreement with respect to measures against potential abuse of fixed-term workers (KL et al., 2002). They also decided to exclude apprentices, students, and people employed under public funded vocational training programmes from their agreement (KL et al., 2002:4).

KL and a number of trade unions have also signed collective agreements which move beyond KL and KTO’s framework agreement on fixed-term contract. For instance, KL and BUPL has a series of restrictions in their sectoral agreement, which exclude certain situations as objective conditions within the childcare sector. Variations in the number of children in childcare and workplaces’ budgets no longer classify as objective conditions for employing fixed-term workers and extending their contracts (KL and BUPL, 2005 § 18 stk. 15). KL and 3F also has an agreement allowing their members to send their permanent staff home during winter as an alternative to fixed-term contracts.
The directive on fixed-term contracts (often in conjunction with the implementation of the EU’s directive on part-time work, where the Danish government relaxed minimum criteria for accumulating social benefits) appears at first to have improved the working conditions for fixed-term workers. Indeed, the relaxed minimum criteria for full-pay under maternity leave, caring days, sick leave, accumulation of pensions rights, etc. also mean that fixed-term workers with relatively few weekly working hours and very short-term contracts can accumulate and thereby gain access to social benefits. However, neither the Danish government nor trade unions and employers associations expected that the directives on fixed-term work and part-time work would have significant implications for the Danish labour market, as they reported back in 2002:

‘Fixed-term contracts (the directive) are not something that I expect will cause any significant problems or have any consequences for our area (the regional and local government sector)’
(Interview: Amtsrådsforeningen, 2002).

‘It (the directive on fixed term contracts) will have no effect in a Danish context even if we change the minimum standards’
(Interview: FTF; 2002).

‘It (the Directive on Fixed-term contracts) is really superfluous as there is hardly any discrimination against fixed term workers or misuse of fixed-term contracts’

‘Fixed term contracts have been used on the Danish labour market for years without any significant problems and it is my impression that fixed term workers are normally treated as other employees. The proposed legislation (on changing the minimum criteria for accumulating social benefits and the law on fixed term contracts) is not expected to have significant effects for the Danish labour market’

The extent to which the directive on fixed-term contracts has had the expected effect is examined in the following sections.
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5. Social Partners Implementation Strategies at Local level

Nearly all municipalities participating in this study have developed different implementation initiatives as a response to the EU’s directive. The initiatives range from information letters, work meetings, seminars, guidelines for good practice and local agreements. Relatively few municipalities have also set up internal temporary agencies to anticipate the rule changes regarding fixed-term contracts and part-time work (see Table 2).

Table 2: The selected municipalities’ implementation initiatives according to their regulation method for wage- and working conditions at local level

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Centralised regulation</th>
<th>Semiregulation</th>
<th>Selfregulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information letters</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Information meetings</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Further training, seminars and courses on fixed term contracts</td>
<td>1</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Discussion of directive in social partners local negotiation body</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Guidelines for good practice</td>
<td>4</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Local agreements</td>
<td>-</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Set up of Internal temporary agencies</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>No initiatives</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: Municipalities have often used a series of implementation methods, which is why the numbers do not match the number of municipalities.

Information letters along with informative meetings hosted by central management and guidelines for good practice were common implementation methods among Danish municipalities. A few municipalities had also signed local agreements, debated the directive in their local negotiating body or held seminars on fixed-term contracts. Table 2 also indicates that different implementation methods used at local level can vary according to the institutional set up for regulating wage- and working conditions at local level. For example, it was primarily municipalities with semi-regulation which had implemented the directive through local agreements; whilst guidelines for good practice were often used by municipalities regulating wage- and working conditions through selfregulation or centralised regulation. However, a common feature across the selected municipalities was that the different initiatives were by large employer led. Relatively few trade union representatives reported local trade union initiatives,
and some had not even received information from KTO. Some common remarks were:

‘The employees have received nothing, except for what we (the employees) find by ourselves. There has been no automatic implementation process with respect to the framework agreement. We (the trade union representatives) have received nothing from KTO’ (Interview: trade union representative, Region: Central Jutland)

‘It is not an agreement we (the trade union representatives) have discussed. It has not been touched or discussed at all.’ (Interview: trade union representative, Region: Zealand).

Although the implementation initiatives among local trade union representatives were relatively few, some interviewees also stated that local trade union affiliates (particularly those from the Northern part of Jutland) had run information campaigns to ensure fixed term workers’ working conditions according to the law and the collective agreements. In particular, BUPL had run such campaigns within the childcare sector. Likewise, the municipalities’ different guidelines on good practice were mainly to ensure that individual workplaces used similar procedures that complied with the directive when handling fixed-term contracts. However, some municipalities’ guidelines for good practice also forced individual workplaces to add an ending date on all fixed-term contracts, although the EU’s directive allowed employers to deviate from this practice. That some municipalities have developed such local practices are reportedly to control the usage of fixed-term contracts and to ensure fixed-term workers reasonable working conditions and that they are aware of the termination date of their contract. Some interviewees also stated that the requirement of an ending date on fixed-term contracts was a direct result of their municipality being unable to reclaim a salary for a fixed-term worker no longer working in the municipality, as the individual workplace had failed to inform the central management about the dismissal of this employee. The different guidelines for good practice indicate that municipalities have responded differently to the EU’s directive.

The agreements signed by social partners at local level also reflect different local practices, as the agreements often vary from one municipality to another. For example, one municipality’s local agreement covering the childcare sector stated that all fixed-term contracts required an ending date. Another local agreement stipulated that fixed-term workers were entitled to a specific supplement in order to attract such employees. Other local agreements reflected more the restrictions stated in the sectoral agreements between KL and BUPL and KL and 3F. Therefore, some agreements specified that events such as changes in
the number of children in day-care and the individual workplaces’ budget no longer qualified as objective conditions for employing fixed-term workers. In addition, a number of municipalities, mainly within the recycling and traffic sector, had local agreements allowing employers to send their permanent staff home during the low peak seasons rather than employing fixed-term workers. These local and sectoral agreements suggest that the implementation methods used vary not only from one municipality to another, but also within each municipality. This is reflected by an interviewee’s remark:

‘We have primarily been doing something in the childcare sector because we knew in advance it was here that there would be difficulties in handling the directive. We had meetings with the trade unions, where we discussed the content of the agreement. In a way we were able to agree on how to administrate this (the directive). We informed the workplaces how they should tackle this. Within the eldercare sector there were also some discussions, but not to the same extent, as there was not the same need for implementation. In other sectors we did nothing specific’ (Interview: Central Management, Region Greater Copenhagen).

Other interviewees reported similar experiences and the different local implementation methods suggest that transposition of the EU’s directive has been relatively successful, as the directive has cascaded down the system. However, table 2 also shows that two municipalities with semi- and self-regulation have failed to develop any local initiatives, reportedly because they already regulated fixed-term contracts according to the rules of the directive. For example:

‘We have not done anything specific because this (the directive) did not have a significant effect on the way we usually work. It is also the reason as to why we (the central managements) chose not to inform the individual workplaces about it (the directive). It is up to the network of individual employers to inform about the directive if they find it necessary’ (Interview: Central Management, Region Southern Denmark).

The more specific initiatives developed by local governments also indicates that the directive’s content influenced the implementation process. For example, reportedly few municipalities had discussed the directive in their local negotiating body mainly because the directive included relatively specific rules and procedures which were not open to further debate. Others stated that the directive largely followed their pre-existing practice on handling fixed-term contracts. They had therefore decided not to debate the directive in their local negotiating body. Although the majority of social partners at local level felt no need to
discuss the agreement in their local negotiating body, and some argued that the directive in the main followed their pre-existing practice, the directive had been and still is subject to local disputes. Indeed, several interviewees representing both sides of industry reported that the rules and procedures of the directive were rather complicated and ambiguous. The objective reasons and conditions in particular were subject to much debate. For example:

‘In the beginning we discussed intensively what is included and what is not included by the objective conditions. But I think we have overcome the different views regarding what is included or excluded’ (Interview: Central Management: Region: Greater Copenhagen).

‘The discussion is about what is an objective condition. There will certainly be some law cases and rulings before we can make our own list of such conditions. Sometimes they (individual workplaces) are a bit annoyed in such situations’ (Interview: Central Management: Region, Southern Denmark).

The reflexive nature of the directive and thereby indirectly the regulation method used at EU and national levels seems to account for local implementation problems. That the ambiguities of the directive have reportedly caused a series of local disputes also reflect this. For example, the number of children in day-care and the budget of the day-care institutions continue to be subject to much debate in most municipalities, although KL and BUPL’s collective agreement excludes these types of objective conditions. Another example of a local dispute is whether fixed-term workers, whose contract is based on the occurrence of a specific event, can demand a permanent position if the person on leave fails to resume work.

Social partners also continue to debate whether fixed-term contracts based on a specific event are subject to the same criteria for renewal as those contracts with a specific ending date, as neither the directive nor KL and KTO’s collective agreement sets an upper limit for contracts based on the occurrence of a specific event. These examples, along with the recent rulings by the Danish industrial arbitration system and the European Court of Justice on fixed-term contracts indicate that the reflexive nature of the directive, and thereby the regulation method used at the EU, national and sectoral levels, have implications for successful implementation and the daily handling of the directive (Faglig voldgift, 11/1/2008; 24/1/2008). Indeed, the ambiguities surrounding the interpretations of the objective conditions seem to have cascaded down through the system, as the objective conditions were at first a highly controversial issue at EU level, then at national, sectoral and local levels, respectively. The inability by European and national social partners to set clear definitions for the objec-
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tive conditions has meant that the handling of fixed-term contracts varies from one municipality to another and often triggers local disputes. As a result, the European and national regulation method for fixed-term contracts seems to influence the delivery of policy at local level, where regulating fixed-term contracts through reflexive rather than detailed legislation has empowered Danish municipalities to develop their own practices for fixed-term contracts, which sometimes deviate from the intentions of the EU’s directive and the agreements signed at sectoral level. The different local implementation initiatives also suggest that the directive has been relatively effective as it has cascaded down the system. The extent to which the local initiatives have affected individual employers’ recruitment strategies and improved fixed-term workers’ working conditions, are examined below.
6. Individual Employers’ Recruitment Strategies

Danish municipalities have no systematic registration of fixed-term contracts. Therefore, the municipalities' usage of fixed-term contracts is based on the interviewees’ assessments and knowledge rather than statistical facts. According to the interviewees, fixed-term contracts are used frequently within the Danish local government sector; where particularly schools, child and eldercare services employ this type of workers to care for children and older people when their permanent staff suddenly falls ill, takes vacation, maternity, sick or study leave (see table 3).

Table 3: The used objective conditions for fixed-term contracts in per cent

<table>
<thead>
<tr>
<th></th>
<th>Total (n=259)</th>
<th>Schools (n=48)</th>
<th>Childcare (n=94)</th>
<th>Eldercare (n=45)</th>
<th>Administration (n=31)</th>
<th>Recycling/Traffic (n=41)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity Leave</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Sick Leave</td>
<td>61</td>
<td>81</td>
<td>59</td>
<td>80</td>
<td>65</td>
<td>20</td>
</tr>
<tr>
<td>Projects</td>
<td>63</td>
<td>75</td>
<td>65</td>
<td>84</td>
<td>52</td>
<td>27</td>
</tr>
<tr>
<td>Recruitment problems</td>
<td>20</td>
<td>17</td>
<td>18</td>
<td>9</td>
<td>52</td>
<td>15</td>
</tr>
<tr>
<td>Vacation</td>
<td>17</td>
<td>-</td>
<td>5</td>
<td>67</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>Budget Changes</td>
<td>15</td>
<td>13</td>
<td>34</td>
<td>4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Changes in the number of Children</td>
<td>12</td>
<td>13</td>
<td>26</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Study Leave</td>
<td>13</td>
<td>25</td>
<td>15</td>
<td>11</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Assistant teacher</td>
<td>4</td>
<td>6</td>
<td>7</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Supportive staff</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>7</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>2</td>
<td>6</td>
<td>11</td>
<td>3</td>
<td>7</td>
</tr>
</tbody>
</table>

Note: Some workplaces listed more than one objective condition, which is why the percentages are more than 100 per cent.

Table 3 also indicates that some day-care institutions and schools recruit fixed-term workers when their budget or the number of children in day-care changes, although KL and BUPL’s collective agreement specifically excludes these conditions as objective. Day-care institutions from municipalities with semi- and self-regulation primarily used changes in their budget and number of children in day-care as objective conditions. In fact, only one day-care institution from municipalities with centralised governance used these two criteria compared to 19 per cent of the day-care institutions from municipalities with selfgovernance.
This number was slightly lower among day-care institutions from municipalities with semi-regulation, where 16 per cent used their budget and 10 per cent the number of children as an objective condition for fixed-term contracts. This suggests that the institutional set-up for collective bargaining at local level and thereby the degree of decentralisation influence the effects of the EU’s directive on individual employers’ recruitment strategies. That childcare institutions with less than 15 employees and in particular some day-care with less than five employees, and thereby no appointed trade union representative, reportedly failed to comply with the restrictions of KL and BUPL’s sectoral agreement also underpin the importance of the institutional set up for municipalities implementation record. The implementation initiatives used at local level also appear to make a difference with respect to the effects of EU’s directive, where particularly employers from municipalities, which have developed guidelines for good practice and hosted information meetings and seminars, seem to follow the intention of KL and BUPL’s framework agreement. However, the relatively large group of employers still using their budget and the number of children in day-care as objective conditions suggest that the directive has a limited effect at local level.

The employers’ usage of fixed-term contracts among Danish municipalities since 2002 and their arguments for potential changes also support the notion that the directive has a limited effect. For example, the number of fixed-term contracts has reportedly remained largely unchanged since 2002, although some representatives from central management, trade unions and individual workplaces disagreed about the general trend. Around 11 per cent of the workplaces interviewed reported, however, about a fall in fixed-term contracts whilst another 16 percent of workplaces had experienced an increase. Childcare institutions and schools in particular reported a fall whilst slightly more administrative institutions had experienced an increase (see table 4).

### Table 4: Individual employers’ assessment of their usage of fixed term contracts

<table>
<thead>
<tr>
<th></th>
<th>Use fixed-term contracts</th>
<th>Decline</th>
<th>Unchanged</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools (n=48)</td>
<td>99</td>
<td>11</td>
<td>77</td>
<td>13</td>
</tr>
<tr>
<td>Childcare (n=94)</td>
<td>96</td>
<td>16</td>
<td>67</td>
<td>16</td>
</tr>
<tr>
<td>Elder care (n=45)</td>
<td>93</td>
<td>5</td>
<td>79</td>
<td>16</td>
</tr>
<tr>
<td>Administration (n=31)</td>
<td>77</td>
<td>4</td>
<td>75</td>
<td>21</td>
</tr>
<tr>
<td>Recycling and Traffic (n=41)</td>
<td>49</td>
<td>8</td>
<td>77</td>
<td>15</td>
</tr>
<tr>
<td>Total (n=259)</td>
<td>86</td>
<td>11</td>
<td>73</td>
<td>16</td>
</tr>
</tbody>
</table>
However, the changes experienced by individual workplaces were hardly due to the EU’s directive, as relatively few interviewees referred to the directive on fixed-term contracts when explaining their changed usage of fixed-term contracts. Instead, the employers interviewed referred to an increased/decreased demand for fixed-term workers, problems with recruiting permanent staff, a local decision to only recruit fixed-term workers, changes in their budget and the recent reform of the local government sector. Despite its limited effects, the directive appeared, however, to have some impact on individual employer’s daily handling of fixed-term contracts. For example, a relatively large proportion of the employers interviewed recruited fixed-term workers based on the occurrence of a specific event rather than a fixed ending date. The former type of fixed-term contract is a relatively new employment contract in Denmark, which came with the implementation of the EU’s directive. Table 5 shows the type of fixed-term contracts used by individual workplaces.

Table 5: Type of fixed-term contract used by individual workplaces according to the municipalities different sectors

<table>
<thead>
<tr>
<th></th>
<th>Fixed-term contracts based on projects</th>
<th>Fixed-term contracts based on a specific event</th>
<th>Hourly paid fixed-term workers with an ending date for their contract</th>
<th>Temporary agency workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools (n=48)</td>
<td>4</td>
<td>79</td>
<td>63</td>
<td>2</td>
</tr>
<tr>
<td>Childcare (n=94)</td>
<td>4</td>
<td>80</td>
<td>46</td>
<td>1</td>
</tr>
<tr>
<td>Elder care (n=45)</td>
<td>2</td>
<td>82</td>
<td>69</td>
<td>24</td>
</tr>
<tr>
<td>Administration (n=31)</td>
<td>2</td>
<td>55</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Recycling/Traffic (n=41)</td>
<td>-</td>
<td>32</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Total (n=259)</td>
<td>5</td>
<td>68</td>
<td>54</td>
<td>7</td>
</tr>
</tbody>
</table>

Note: Work places often use more than one type of fixed-term contracts, which is why the per centages are more than a 100 per cent.

Fixed-term contracts based on the occurrence of a specific event were used by most workplaces regardless of their sector, although the number of such contracts was slightly lower among administrative, recycling and traffic institutions. Several workplaces, particularly schools, child and elder care services, also frequently used fixed-workers, who were paid by the hour and often had relatively short contracts, ranging from one or two days to a few weeks or months. Few workplaces also employed fixed-term workers based on a specific work task or
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project and some, particularly elder care institutions, used temporary agency workers, which are not covered by the directive. The different types of fixed-term workers were often used depending on the situation. For example, hourly paid fixed-term workers with a specific ending date for their contract and temporary agency workers were mainly used in acute situations when a permanent staff member suddenly fell ill or for some reason was unable to come to work and their colleagues were unable to cover for them.

Schools, childcare and elder services were more likely to use this type of fixed-term workers, as their work tasks could seldom be postponed. Indeed, caring for children and older people are work tasks that need to be carried out even when permanent staff is ill, whilst other sectors such as the administrative and recycling/traffic area could often postpone their work tasks. Their usage of fixed-term contracts was therefore significantly lower than the other three sectors. In addition, employers mainly used fixed-term contracts based on the occurrence of a specific event when they were unsure about the return date of their permanent staff. Indeed, most employers saw it as an advantage not to set a specific ending date for an employment contract, mainly because thereby they avoided constantly renewing a fixed-term contract, if the employee on leave repeatedly failed to return to work. For this reason fixed-term contracts based on the occurrence of a specific event were often perceived as more flexible, and some municipalities had therefore largely replaced the traditional fixed-term contract based on a fixed ending date with this type of fixed-term contract. For example:

‘Fixed-term contacts have been redefined. They have moved from a fixed-term contract with a specific ending date to be a fixed-term contract with the occurrence of an event. You employ them until the end of a specific event occurs. Normally, there is no ending date on such contracts as you see with a traditional fixed-term contract. For example, if the one on maternity leave suddenly has to take three weeks vacation on top of the leave we just move the ending date’ (Interview: Central Management: Southern Denmark).

Although fixed-term contracts based on the occurrence of a specific event are commonly used by Danish municipalities, as mentioned earlier, some municipalities have also decided to add an ending date on all types of fixed-term contracts, including those based on the occurrence of specific event or project. Therefore, the usage of fixed-term contracts based on a specific event may be less widespread as suggested in table 5, whereby the effects of the directive also seem less marked. The implementation methods used and institutional set up at local level have limited if no impact on individual workplaces’ usage of fixed-term contracts based on the occurrence of a specific event. However, the
usage of hourly paid fixed-term workers is significantly lower in the childcare sector, where local trade unions have campaigned to ensure fixed-term workers working conditions according to the existing rules and procedures. Likewise, the usage of hourly paid fixed-term workers is less widespread among municipalities which informed, hosted information meetings or developed guidelines for good practice compared to those where local agreements were the main tool of implementation. The implementation methods used at local level seem therefore to influence effects of the EU’s directive on employers’ recruitment strategies.

The EU’s directive also appears to have affected employers’ daily handling of fixed-term contracts, where one in five employers are reportedly more aware of the rules and procedures regarding fixed-term contracts, and some are even stricter when recruiting temporary staff. In addition, some workplaces, particularly schools, child- and elder care institutions found that the directive had eased the handling of fixed-term contracts as the rules and procedures were clearer. (see table 6)

Table 6: The Effects of the Directive on Employers’ Recruitment Strategies according to the Sectors within Local Government

<table>
<thead>
<tr>
<th></th>
<th>Total (n=259)</th>
<th>Schools (n=48)</th>
<th>Childcare (n=94)</th>
<th>Elder care (n=45)</th>
<th>Administration (n=31)</th>
<th>Recycling/ Traffic (n=41)</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>More aware of the rules and procedures</td>
<td>23</td>
<td>25</td>
<td>28</td>
<td>29</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>More difficult to administrate the rules and procedures</td>
<td>16</td>
<td>20</td>
<td>19</td>
<td>18</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>The directive is inflexible</td>
<td>10</td>
<td>19</td>
<td>13</td>
<td>7</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>The rules and procedures are easier to understand</td>
<td>3</td>
<td>2</td>
<td>6</td>
<td>4</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>More strict when employing fixed-term workers</td>
<td>8</td>
<td>4</td>
<td>11</td>
<td>13</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>No effects</td>
<td>37</td>
<td>40</td>
<td>34</td>
<td>42</td>
<td>39</td>
<td>26</td>
</tr>
<tr>
<td>Don’t know/ missing</td>
<td>22</td>
<td>15</td>
<td>13</td>
<td>7</td>
<td>45</td>
<td>51</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Workplaces reported several examples of effects from the European framework agreement, which is why the percentages are more than a 100 per cent.
Table 6 also shows that nearly 37 per cent of the employers interviewed had felt no changes to their recruitment strategies following the directive, indicating that the directive has had limited influences on employers’ recruitment strategies. It was, in particular, employers from municipalities which had failed to implement the directive, who found it hard to manage the different rules and procedures regarding fixed-term workers, whilst guidelines and local agreements reportedly eased the handling of fixed-term contracts at the workplace. In addition, local agreements appeared to encourage a greater compliance with the directive, as employers from such municipalities had reportedly become stricter when using fixed-term contracts. Indeed, this suggests that the implementation method used affects the delivery of policy at local level. Also the institutional set up appears to make a difference. Municipalities with self- and semi-regulation were more likely to complain about increased red tape as a result of the directive, whilst workplaces from municipalities with centralised regulation reportedly felt that the directive had eased the handling of fixed-term contracts.

In sum, individual employers’ recruitment strategies have to some extent changed as a result of the directive on fixed-term contracts, where particularly the implementation methods used and the institutional set up at local level seem to affect the results of implementation. The extent to which the directive has also improved the working conditions of fixed-term workers are examined below.
7. Working Conditions of Fixed-Term Workers

The EU’s directive aims to improve fixed-term workers’ working conditions through the principle of non-discrimination and by demanding that employers inform fixed-term workers about vacancies, facilitate their access to further training and take this type of employee into account when calculating the threshold for workers representative bodies. However, relatively few employers seem to comply with the intentions of the directive according to Danish interviewees. For example, only 51 per cent of the workplaces in this study informed their fixed-term workers regularly about vacancies, and even fewer (16 per cent) regularly offered their fixed-term workers permanent positions when their contract came to an end (see table 7).

Table 7: Fixed-term workers possibilities for a permanent job and information about vacancies according to their employer

<table>
<thead>
<tr>
<th></th>
<th>Regularly</th>
<th>Occasionally</th>
<th>Seldom</th>
<th>Don’t know/ Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informing fixed term workers about vacancies (n=259)</td>
<td>51</td>
<td>19</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Offering fixed-term workers permanent positions (n=259)</td>
<td>16</td>
<td>36</td>
<td>34</td>
<td>15</td>
</tr>
</tbody>
</table>

Around a third of the employers interviewed occasionally offered their fixed-term workers a permanent position whilst slightly less occasionally informed their fixed-term workers about available positions. Schools, childcare and eldercare institutions were more likely than administrative, recycling or traffic institutions to regularly inform fixed-term workers about vacancies and recruit them to permanent positions. Hence, a relatively large group of employers across the local government sectors fail to inform their fixed-term workers about relevant vacancies and thereby fail to comply with the intentions of EU’s directive. That few municipalities continue to allow only permanent staff to apply for internal vacancies despite the directive’s principle of non-discrimination underpin the directive’s limited effect. Likewise, the degree of decentralisation seems to influence compliance with the EU’s directive. Workplaces from municipalities with self- and semi-regulation were less likely
to inform fixed-term workers about vacancies. That workplaces with less than five employees and thereby no trade union representative were also less likely to inform about vacancies compared to institutions with more employees also support the importance of the institutional set up at local level.

The local implementation strategies also appear to make a difference. Employers from municipalities, which have developed local implementation initiatives are more likely to comply with the directives clause on information and employment opportunities. Local agreements and less so guidelines for good practice appear to have a positive impact on the delivery of policy. Around 67 per cent of employers from municipalities with a local agreement regularly informed their fixed-term workers about vacancies compared to 21 per cent with no local agreement. Likewise, 58 per cent of employers, where municipalities have developed guidelines for good practice, follow the intention of the directive compared to 49 per cent of the employers from municipalities with no guidelines for good practice. This suggests that the choice of implementation method at local level influences the directive’s impact on the working conditions of fixed-term workers. However, the implementation initiatives and institutional set up at local level had limited or no effect on the extent to which the directive improved fixed-term workers’ opportunities for permanent positions. In fact, employers hardly referred to the EU’s directive when explaining their recruitment strategies. Instead, the need for extra personnel, their budgets, fixed-term workers’ qualifications and whether they got along with permanent staff were more commonly used arguments for employing a fixed-term worker to a permanent position.

The interviews with representatives from the municipalities’ central management and trade unions further question the effects of the directive in terms of improving fixed-term workers’ working conditions. Several interviewees reported a greater turnover of fixed-term workers and some had decided to reduce their usage of fixed-term workers due to increased red tape, where particularly the upper limit for successive contracts seems to account for the trends mentioned.
For example:

‘It (the directive) should work as a protection of unemployed but it is more like a harassment as you (employers) have to dismiss them (fixed-term workers) for a month until you can use them again, as you have no money in the institutions (to employ them permanently)’ (Interview: Trade union representative: Southern Denmark).

‘For some it has improved by having permanent fixed-term worker or not having people employed on fixed-term contracts for years. It is certainly an improvement and some excellent basic rights. However, it is also true that you have without doubt decided not to employ marginalised groups on the labour market who otherwise would be on the labour market through successive fixed-term contracts. If you have to make a permanent position and cannot have people on successive fixed-term contracts then you have decided to solve it (need for extra personnel) internally and limit the usage of fixed-term workers’ (Interview: Central Management, Northern Jutland).

The quotes suggest that paradoxically the directive has a negative effect in particular on unskilled fixed-term workers’ employment opportunities, as many employers are less likely to employ this type of workers after the rule changes. Indeed, this questions whether the directive has actually improved the working condition of fixed-term workers, although the misuse of fixed-term contracts has reportedly declined and employers tend more often than before to recruit fixed-term workers for permanent jobs. The daily treatment of fixed-term workers at the workplaces raises similar questions. A relatively large group of fixed-term workers reportedly receive no invitations to work-related activities and have no access to different workplace policies and benefits (see table 8).
Table 8: Percentage of Fixed-term workers access to work-related activities, workplace policies- and benefits according to their employers

<table>
<thead>
<tr>
<th>Fixed-Term Workers access to</th>
<th>Don’t know/ Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Meetings</td>
<td>78  12</td>
</tr>
<tr>
<td>Seminars</td>
<td>48  12</td>
</tr>
<tr>
<td>Annual Events</td>
<td>76  12</td>
</tr>
<tr>
<td>Other Work-Related Activities</td>
<td>10  12</td>
</tr>
<tr>
<td>Pension Schemes</td>
<td>56  23</td>
</tr>
<tr>
<td>Paid maternity leave</td>
<td>49  25</td>
</tr>
<tr>
<td>Paid Caring Days when their children are ill</td>
<td>76  13</td>
</tr>
<tr>
<td>Positions as trade union representative</td>
<td>10  14</td>
</tr>
<tr>
<td>Further education</td>
<td>41  12</td>
</tr>
<tr>
<td>Telework</td>
<td>3   12</td>
</tr>
<tr>
<td>Laptops</td>
<td>8   12</td>
</tr>
<tr>
<td>Other work related benefits</td>
<td>3   12</td>
</tr>
</tbody>
</table>

Table 8 shows that 78 per cent of fixed-term workers are, similar to permanent staff in comparable positions, invited to work meetings. A relatively large group of fixed-term workers also participate in annual events and have access to paid caring days when their children are ill. However, table 8 also suggests that many fixed-term workers are never invited to seminars and have no possibility for further training, although the directive specifically stipulates that employers should facilitate further training for them. Likewise, a large group of fixed-term workers are without rights to pension schemes, paid maternity leave, positions as trade union representatives and other work-related benefits according to their employer. Possibilities for teleworking and access to work laptops were also largely restricted to permanent staff, mainly line managers, directors or specialists.

Schools, child- and elder care institutions in particular invited fixed-term workers along to work meetings and annual events. This type of employers was also more often aware of fixed-term workers’ rights to pensions, paid maternity leave and caring days. In addition, fixed-term workers employed as teachers or administrative support staff to larger extent participated in seminars and further training courses than fixed-term workers employed in the recycling, traffic, child- and elder care sector. Despite these differences, to a varying degree all the selected municipalities failed to comply with the directive’s principle of non-discrimination as a relatively large group of fixed-term workers, regardless of the sector, continued to be treated differently than comparable
permanent staff. This is also underpinned by the interviews with trade union representatives and central management, where some municipalities reportedly rarely invited fixed-term workers to, for instance, work-meetings and then only if their attendance was unpaid and their contract for a longer period. Others did not differentiate between permanent and temporary staff. For example:

‘Fixed-term workers are always invited to it (work meetings and social events). There is no difference whether it is a fixed term worker or permanent staff member’ (Interview: Central Management: Northern Jutland)

‘Fixed-term workers do not always attend the work meetings- they are sent out to work. If they are fixed-term workers employed for more than half a year, then they come along, but if it is a very short fixed-term contracts of 3 months, then they are setd out to work rather than attending the work meetings’ (Interview: Trade Union Representative: Region, Greater Copenhagen).

‘They (fixed-term workers) attend social events if they deliver, but they are not allowed to attend work meetings. It varies however according to their contract. They are not attending if they need to be paid to attend work meetings’ (Interview: Central Management; Region, Zealand).

This differentiation between permanent and temporary staff also appears to apply to other situations at the workplace. For example, employers and trade union representatives reportedly favoured permanent staff in local wage negotiations, whereby fixed-term workers often received limited or no salary increases during such negotiations. Some stated that fixed-term workers were paid the minimum wage, despite having specific qualifications and years experience which entitled them to a higher salary. For example:

‘Their attitude is that they don’t get as much in salary as others (permanent staff). They do not have 2, 4, 6 and 8 years of seniority... It is a cheap form of labour.’ (Interview: Central Management: Region: Central Jutland).

‘There is no tradition that fixed-term workers come along (to local wage negotiations). Fixed-term workers’ salary will most likely not increase during their employment. You will not give such workers 2-3 extra salary grades. You would not do it as a trade union representative. ‘Most of our members would also find this strange if you did that. There is more understanding if they (fixed-term workers) receive a bonus during a period of peak load’ (Interview: Trade Union Representative, Region: Greater Copenhagen).
They have a tendency to only give them the minimum wage stated in the sector agreement unless I catch them. I have repeatedly asked if I could see the material on which they base the salary of fixed-term workers. It happens that it is not always correct' (Interview: Trade Union Representative, Region: Greater Copenhagen).

Both sides of industry seem to agree on treating permanent and temporary staff differently during wage negotiations. In fact, some employers stated that trade unions are opposed to unskilled fixed-term workers received a higher salary than the minimum wage. This suggests that only to some extent that Danish municipalities comply with the directive’s principle of non-discrimination. This is further underpinned by municipalities favouring their permanent staff when it comes to further training and seldom give fixed-term workers access to workrelated benefits such as company-owned summer houses, subsidised employee computers and co-financed gym memberships. Budget constraints along with complex rules and fixed-term workers, unlike permanent staff being no investment for the workplace, were common arguments for the differentiation mentioned between permanent and temporary staff.

The initiatives used and the institutional set up at local level had limited influence on the directive’s impact on fixed-term workers’ working conditions. This type of employees’ access to different work-related activities, policies and benefits hardly varied across municipality with centralised regulation, semi- or self-regulation and among those using different implementation initiatives. However, workplaces with less than five employees and thereby without a trade union representative were more likely to differentiate between permanent and temporary staff when it comes to access to further education, pension and work-related activities despite the directives’ principle of non-discrimination. Therefore, the institutional set up appears to have some effect on the results of implementation of the directive. Also, the flexibility of the directive seems to account for the relatively large group of employers failing to comply with the principle of non-discrimination and the directive’s clause on further training whilst the clause on information of vacancies has largely been transposed. Indeed, the latter is a specific clause demanding employers inform fixed-term workers about vacancies, whilst the principle of non-discrimination and the clause on further training are less clear. The directive, including KL and KTO’s framework agreement, fails to set clear standards for the scope of nondiscrimination, leaving interpretation to the discretion of individual employers. Likewise, the clause on further training stipulates that employers should facilitate further training as far as possible, leaves room for individual interpretation at the workplace. The reflexive nature of the directive and thereby the regulation method used at EU level seems to some extent to account for the implementation deficit.
In sum, the actual effects of the EU’s directive on fixed-term workers’ working conditions appear to be limited. The reflexive nature of the directive, the institutional setup and the local implementation strategies to a varying degree seems to account for the relatively poor implementation record.
8. Discussion and Conclusion

The EU’s directive was implemented in the Danish local government sector in 2002, where social partners decided to regulate fixed-term contracts through collective agreements. The effects and influences of the directive at local level vary depending on the type of effects under examination. We distinguished here between two types of effects; local implementation initiatives (information pamphlets, seminars, guidelines for good practice and local agreements) and final effects (actual changes in employers’ recruitment strategies and improvements of fixed-term workers’ working conditions). The wide range of local implementation initiatives developed by Danish municipalities suggests that the directive has cascaded down through the system and turned into practice at local level. However, the actual effects of the directive in terms of changing employers’ recruitment strategies and improving fixed-term workers’ working conditions are limited, although some variations were seen among the participating municipalities. Two parameters were identified as influential for successful implementation at local level; the institutional set up at local level for regulating wage- and working conditions and the regulation method used at EU, national, sectoral and local levels.

The institutional set up, where, to a varying degree, municipalities have decentralised the regulation of wage- and working conditions to individual workplaces, have some effect on the policy outcome at local level. Local agreements were mainly used by municipalities with partly decentralised procedures and structures for wage and working conditions, whilst guidelines for good practice were used by municipalities which had hardly decentralised or had fully decentralised the regulation of wage- and working conditions. Likewise, the degree of decentralisation was also crucial for individual workplaces’ compliance with the EU’s directive, particularly where the presence of a trade union representative and thereby the reproduction of centralised structures and procedures for regulating working conditions at individual workplaces were important. Also the regulation methods for fixed-term contracts used at EU and national levels have crucial implications for municipalities’ implementation record. This concept refers to the directive’s content, its reflexive nature and the local implementation initiatives. In particular, it is the reflexive nature of the directive which has triggered local disputes and resulted in different local practices. In addition, the content seems to affect the local implementation initiatives, which, to a varying degree, have changed employers’ recruitment strategies and fixed-term workers’ working conditions. Indeed, local implementation initiatives seem to ease the handling of fixed-term contracts and in particular, guidelines for good practice appear to make a difference with respect to childcare institutions usage of their budget and changes in the number of children in day care. Likewise, the
lack of clear standards for interpreting the objective conditions and the EU’s principle of non-discrimination also seem to account for varying degrees of discrimination of fixed-term workers at many workplaces.

As a result, the EU’s directive has been more influential among municipalities which have developed local implementation initiatives and have more centralised procedures and structures for collective bargaining, particularly if the individual workplace has no trade union representative. Therefore, to some extent the research results contradict the Danish government and social partners’ expectations in 2002, when they stated that the directive would have limited if any effect on the Danish labour market. Likewise, the series of local disputes and recent rulings by the Danish arbitration system suggest that the directive has had some effect, although this study also shows that a relatively large group of fixed-term workers who, to a varying degree, continue to face discrimination in their daily working life despite the EU’s directive.
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