

European Platform tackling undeclared work

Platform Newsletter

December 2020

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During the Platform's #EU4FairWork Week of Action in September a labour inspection coordinated by the European Labour Authority (ELA), took place together with Belgium, Lithuania and Portugal.

Despite considerable policy action in recent years, undeclared work continues to affect European labour markets. The COVID-19 crisis has highlighted the existing challenges - and created new ones as labour markets and labour mobility have been disrupted, leaving undeclared workers particularly vulnerable. Undeclared work may increase further alongside the growth of new forms of work, including online and platform work and atypical contract relationships.

These challenges were discussed in the ninth Platform Plenary meeting that took place virtually on the 5th and 6th of October. After a first day dedicated to the thematic discussion around new forms of work, the second day focused on the new Work Programme for 2021-2022 and the transition of the Platform to ELA, the #EU4FairWork campaign achievements and the social partners' involvement in tackling undeclared work.

What's new

Collaborative economy – old problems in new formats?

"The COVID-19 crisis has brought to light existing challenges in tackling undeclared work and created new ones. With its work programme 2021-2022 and the transition to the European Labour Authority, the Platform will be better equipped to address these issues, in a more integrated way." Jordi Curell, Chair of the Platform

ICT-based mobile work, job and employee sharing, portfolio work, telework, voucherbased work, platform work, bogus self-employment... the labour market is changing, and new types of work are rising. The ninth Plenary meeting on 5-6 October 2020 focused on the collaborative economy and new forms of work.

The collaborative economy involves business models where activities are facilitated by collaborative (online) platforms that create an open marketplace for the temporary usage of goods or services, often provided by private individuals. According to a 2018 Flash <u>Eurobarometer survey</u>, 6% of Europeans have offered services via collaborative platforms.

The Platform report on tackling undeclared work in the collaborative economy and bogus self-employment highlights that employers operating on collaborative platforms are not necessarily more likely to use undeclared work than those in the non-collaborative economy. However, collaborative platforms appear to make it easier for those genuinely self-employed who would anyway be intentionally involved in undeclared work, to find markets for their services. Lack of knowledge can also cause unintentional non-compliance. Ways to help tackle this include: giving advice and guidance to service providers, such as on how to declare income received; disclosing data and details on service providers; simplifying tax and labour laws for service providers. For example, the tax agency website in Sweden provides step-by-step guidance for declaring income from gig work and web support for calculating the tax owed.

To tackle bogus self-employment, clear legal definitions will help to classify workers correctly. Enforcement authorities should also make the costs of misclassifying workers outweigh the benefits. As bogus self-employment can also be unintentional, education and awareness-raising campaigns are important. During the current COVID-19 pandemic, another form of work that has greatly expanded is telework. Here also clear definition will be key in providing a legal context for the investigation of undeclared work and under-declared employment. As an example, in Spain, a new Royal Decree-Law (28/2020) now clarifies teleworking and remote working.

Further reading:

Report: <u>Tackling undeclared work in the collaborative economy and bogus self-</u> employment

Ambitious work programme for 2020-2021

A new Platform <u>work programme</u> 2020-2021 was adopted by the Platform Plenary on 6 October, which builds on proposals made by Platform members through a survey and a specific Working Group. It includes four strategic priorities, among which a new one on communication to continue awareness raising efforts.

It reflects the many challenges experienced in the European labour market and aims to address a broad range of issues. These include: different types of undeclared work (e.g. in the collaborative economy, through the supply chain, cross-under-declared employment), sector-specific approaches, promoting cooperation and partnerships, improving performance management and innovation, developing the evidence-base and the opportunities of the forthcoming transition to ELA.

Holistic approach: new report provides practical guidance

The Platform working group on 'Holistic approaches to tackling undeclared work and developing national strategies' was established one year ago. The outcomes of their work were presented in the Plenary, including a <u>report</u> to assist Platform members to identify their own challenges and appropriate next steps.

The report identifies main challenges, tips and several good practices for 1) transforming undeclared work into declared work, 2) developing a whole government coordinated approach 3) using the full range of direct and indirect policy measures. It also includes a self-assessment tool to help Platform members assess progress made and identify the next steps.

7 months of campaign from March to October	Week of Action			
2020 (extended)	90%			<u>Q</u> } 222
Communication resources:	90+ activities All 27 member by 90% of countries and observers engaged	10+ video productions	15 countries with media activities	8 400+ participants to events
3 infographics 1 quiz 2 competitions 3 videos 1 interactive 4 podcasts 5 articles	Channels: 1700+ social media post	5	ri V	

#EU4FairWork campaign outcomes

The Platform successfully ran the first European-wide campaign on declared work (#EU4FairWork) during 2020 with a dedicated Week of Action in September. A vast majority of Platform members and observers participated by organising activities and promoting the campaign on social media, including with strong social partner support. The campaign aimed to contribute towards behavioural change across Europe through positive messaging about the benefits of declared work.

The social media campaign was launched in March 2020. The peak of the campaign was the Week of Action from 21-25 September. Good progress against the ambition set for the campaign can already be confirmed. The social media campaign reached over 16.4 million people across the EU, and the campaign videos were watched over 2.9 million times. During the Week of Action, over 90 % of the members organised an event or own activity and all members showed engagement. More than half of Platform members and observers co-organised events with other partners, including social partners. These events included joint and concerted inspections, staff exchanges and communication/outreach campaigns.

An article has been published about the Week of Action activities: <u>#EU4FairWork: highlights from the Week of Action</u>. In addition, the <u>campaign website</u> now includes all campaign resources produced since March 2020, including four new <u>podcasts</u> with Platform representatives from Portugal, Croatia, Spain, Sweden and Italy as well as Professor Colin Williams from the University of Sheffield.

During the Plenary, the Platform heard some inspiring examples about outreach to target groups and wider public in Italy, Finland, Latvia, Portugal and Denmark; and experiences around collaboration by Sweden, Norway, Croatia, Luxembourg and EFBWW-FIEC. There were many inspiring examples on tackling undeclared work through national and joint campaigns and inspections during the Week of Action. Among them:

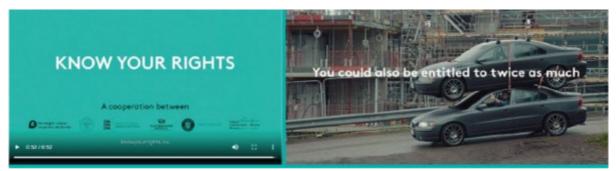
The format of a follow-up to the campaign will be decided in 2021, based on proposals from a dedicated working group.



Nordic-Baltic project: Power of concerted action

The Tackling undeclared work in the Nordic countries project (supported by the <u>EaSI</u> <u>programme</u>), included road transport inspections conducted before the Week of Action in Sweden, Denmark, Estonia, Finland, Iceland, Latvia and Norway, aimed at vehicles or companies from another project country. The findings were presented and discussed in a webinar during the Week of Action. Through a <u>news article</u> in English as well as active communication on social media and a joint video project, the inspection activity was used to raise awareness across borders.

'Know your rights'- Joint project between five Platform countries



Norway, Bulgaria, Estonia, Lithuania and Romania worked together to inform mobile workers of their rights through a dedicated multilingual <u>knowyourrights.no</u> website, including an inspiring campaign video.

Social partners' key role in tackling undeclared work

Social partners' position and role, their prerogatives and rights make them key actors in the fight against undeclared work. Their direct access to information on patterns of undeclared work enables them to develop tailored approaches, complementary to those of enforcement authorities. They can quickly identify and adapt to the challenges on the ground.

At the plenary meeting, the Platform heard about interesting examples of cooperation with – and amongst - social partners. Including:

Tripartite collaboration: In Germany, the collaboration is supported by 'action alliances' between the Federal Ministry of Finance, employers' associations and trade unions. Regular round-table meetings are organised, for instance on legal questions or knowledge specific to the sector. Social partners can also provide information about cases of undeclared work for inspections and are key partners in awareness raising. In Norway, the collaboration is anchored through structured tripartite cooperation with employers' associations and trade unions. Risk evaluations and tips can be shared while inspections and awareness raising activities can be coordinated. As Pål H. Lund from Norway puts it: "We have a common enemy – undeclared work - and shared interests: decent work, fair competition and funding of the state."

Collaboration between social partners can be very fruitful, as demonstrated by the joint action between the European Federation of Building and Woodworkers (EFBWW) and European Construction Industry Federation (FIEC). Their collaboration resulted among others in posters and videos and a practical <u>toolkit</u> available in 18 languages. Finally, a large webinar was organised during the #EU4FairWork Week of Action with over 200 participants, and a joint statement was published on next steps to tackle undeclared work in this area.

A thematic review workshop will be organised in 2021 on successful cooperation between labour inspectors and social partners.



ELA Director appointed

Cosmin Boiangiu Romania's Deputy Permanent Representative to the EU was appointed as Executive Director of the European Labour Authority following a vote of ELA's Management Board on 22 October. Read the ELA <u>news article</u>.

New and upcoming publications

Work programme

Work programme 2021-2022

Studies

Report: <u>Tackling undeclared work in the tourism sector</u> (1 014 KB)

Report: <u>Tackling undeclared work in the collaborative economy and bogus self-employment</u> (1 783 KB)

Working group report: <u>Holistic approach to tackling undeclared work and developing</u> <u>national strategies</u> (588 KB)

Report: <u>Horizon scanning: early warning signals of future trends in undeclared work</u> (5 222 KB)

Event materials

Learning resource: Tackling undeclared work in the air transport sector, with a special focus on bogus self-employment of aircrews (PDF, 528 KB)

Learning resource: Cross-border sanctions in the area of undeclared work (PDF, 660 KB)

Thematic Review Workshop, short report: <u>Cross-border sanctions in the area of</u> <u>undeclared work</u> (528 KB)

Upcoming

- Counteracting undeclared work and labour exploitation of third-country national workers
- Report on the #EU4FairWork campaign
- Biennial report 2019-2020
- Tools and approaches to tackle fraudulent temporary agency work, prompting undeclared work
- Enhanced Learning Resource Paper on cross-border sanctions

Dates for the diary

24-25 March 2021

10th plenary meeting

Q1 2021

Seminar on Seasonal (including mobile) workers: developments, trends and good practices tackling undeclared work

Working group on Enhancing synergies with the ELA Work Programme and working methods

Working group on Communication and Information (including follow-up to #EU4FairWork)

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