



**EUROPEAN COMMISSION**  
Employment, Social Affairs and Inclusion DG

Employment and Social Legislation, Social Dialogue  
**Health, Safety and Hygiene at Work**

**STUDY ABOUT THE IMPACT OF THE  
ECONOMIC CRISIS ON THE EUROPEAN  
LABOUR INSPECTION SYSTEMS  
FROM 2008 TO 2014**

**SENIOR LABOUR INSPECTION COMMITTEE  
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## **Annex 1:**

Data's presented by the Member States:

Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Eire-Ireland, Estonia, France, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovak Republic, Spain, Suomi-Finland, Sweden, The Netherlands, United Kingdom.

## **Acknowledgments**

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They also thank the members of the SLIC secretariat for their constant and precious support.

## **Study background**

After 2008, the labour inspection systems of the Member States have been adopting a strategy in order to cope with the evolution of the work market and in relation to the economic crisis. This in order to ensure that working conditions are monitored effectively.

As a consequence of this, the Committee of Senior Labour Inspectors decided, at the 66th plenary meeting held on May 2014 in Athens, to carry out a study on the impact of the economic crisis over the European Labour Inspectorates during the period 2008 to 2014.

In the same time, the crisis has led Member States to implement policies to reduce public spending. In some countries, these have affected the budget allocated to labour inspection systems. The Member States have thus been adopting strategies to resist the impact of the crisis in order to ensure and promote a decent work.

The challenges of this study was to analyse the issues relating to resources, organisation, training, priority actions, methods, surveillance measures, and the legal measures put in place by Member States.

The target was to identify the difficulties encountered by labour inspections and the necessary innovations to continue their job in order to protect workers' rights, in particularly their health and safety at work.

Twenty-four Member States volunteered to participate in this study.

This report was presented and adopted at the 71<sup>st</sup> SLIC plenary meeting held on November 2016 in Vysoke Tatry Slovakia.

## **Study methodology**

According to the rules adopted by the Committee of Senior Labour Inspectors<sup>1</sup>, a working group composed of France (Chair), Greece, Italy, Portugal, Romania, Spain, Sweden and United Kingdom has been in charge to carry out this study.

### **• Survey**

A questionnaire was elaborated in order to collect the information from Member States. It was structured in two parts with 24 questions:

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<sup>1</sup> The Commission Decision of July 12<sup>th</sup> 1995 setting up a Committee of Senior Labour Inspectors (95/319/EC) as amended by Commission Decision of October 22<sup>nd</sup> 2008 (articles 2 and 9).

- a) Impact of the NLI restructuring linked to Member States budgetary restrictions (budget, human resources, working conditions, organization...);
- b) Areas to improve the LI productivity and efficiency of action following the NLI restructuring (working methods, priorities actions, tools...).

This questionnaire, in annex 1, has been sent to 28 Member States. 24 have replied:

Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Eire-Ireland, Estonia, France, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovak Republic, Spain, Suomi-Finland, Sweden, The Netherlands and United Kingdom. Countries that have not replied are Belgium, Denmark, Germany and Slovenia.

- **Information treatment**

The goal was not to compare the data's provided between the Member States, but to analyse the period according to how each MS on how they have been - or not - impacted by budgetary restriction and which measures have been implemented in order to be more efficient, or just be able to manage the tasks.

The questionnaire of each Member State is presented in annex 1 with data graphics.

## **I - Overview of the evolution of employment conditions, enterprises, employees and legal provisions**

### **1.1 Challenges for Labour Inspections facing employment conditions evolution**

Since 2008, economic crisis has directly impacted the work market and has in consequence affected the working conditions across EU Member States being more detrimental in some countries than in others.

The employment conditions have strongly changed: "less work, reduced overall working time, less overtime, rising job insecurity, less choice for workers, wage freezes and wage cuts. There is also greater work intensity, deterioration of work–life balance, increasing stress at work, greater risk of harassment/bullying, less absenteeism, growth in the informal economy and changes to migration patterns."<sup>2</sup>

The SLIC members share the same analysis concerning the precarious employments detrimental effect on workers' health and safety.

A number of discussions have provided the opportunity for labour inspectorates to share their experiences and initiatives to tackle the changes caused by the crisis affecting more and more workers.

This was demonstrated in the work recently carried out during the thematic days on 'investment in health and safety: economic slowdown versus decent work'<sup>3</sup> and on 'occupational health and safety in a dual labour world'<sup>4</sup>, which shows the change in working life. In particular, they focus on the different negative impacts such as:

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<sup>2</sup> Report on "impact of the crisis on working conditions in Europe", European Foundation for the Improvement of Living and Working Conditions, 2013.

<sup>3</sup>Report of SLIC thematic day, Vilnius, 65th meeting, November 2013.

<sup>4</sup> Report of SLIC thematic day, Brussels, 59th meeting, November 2010.

- Job insecurity comes in different ways: part-time work, temporary work, self-employed, atypical contracts, illegal work; minimum wage and social security no longer always guaranteed. Depending on the nature of the precarious employment, vulnerable workers are more victims of accidents at work and occupational diseases.
- Intensification of work and job insecurity have a negative impact on health, in particular may generate psychosocial risks (stress, anxiety, depression), which may affect workers' alertness and put them at greater risk of accidents at work. Regarding work intensification, the workers are most exposed to burnt-out syndrome or cardiovascular accidents.
- Undeclared work: in these situations the working conditions are often degraded (no OSH protection, long work shifts, work intensification). Undeclared work is most prevalent in the sectors such as construction, security, cleaning and care services. This also tends to be accompanied by insecure conditions of employment and remuneration and workers frequently not having social security, health or accident insurance.
- In companies employing unskilled temporary workers with no prior safety training, or having a high turnover of staff, workers are more frequently put at risk of occupational accidents and diseases.
- The number of self-employed or pseudo self-employed workers are growing significantly, which also cause distortion to competition. In the case of cross-border employment, one of the most important matters is the social insurance cost difference.
- The contractual relationships between contractors and sub-contractors have become increasingly complex. They create subcontracting "chains" in which compliance with social security obligations is poor (no minimum wage or social security provided). Fraud in international service provision is difficult to verify, undermines the social model of different Member States and leads to rejection of the European project.

The crisis impact on employment conditions was subject to a resolution on January 14<sup>th</sup> 2014 adopted by the European Parliament "on effective labour inspections as a strategy to improve working conditions in Europe". It highlights that "the labour inspection plays an important role in protecting employees' rights, ensuring health and safety at the workplace and combating unsafe working environments, preventing breaches of employment protection rules and promoting fair and socially responsible economic growth..."

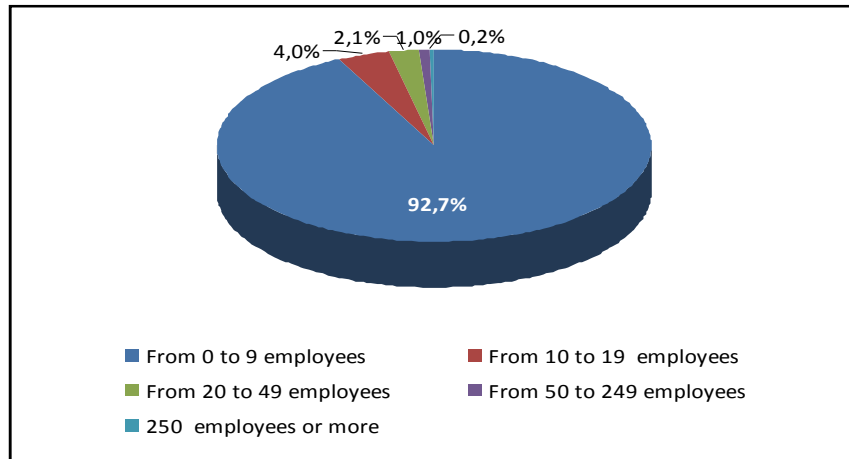
The Parliament has also emphasized the importance of prevention and control action carried out by labour inspections. Member States are invited to ensure the ways and means necessary for them to exercise their mission in these different fields.

<p>The major challenge for Member States Labour Inspectorates is to enforce OSH regulations, guarantee decent workers employment and fight undeclared work, social dumping and associated abuse on cross-border workers.</p>
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## 1.2 Enterprises and employees in figures

In 2012, the European Union had 22 346 729 businesses, and almost 93% of them had from 0 to 9 employees, as shown below.

**Distribution of European businesses by size in 2012 (%)**



Source: Eurostat.

Despite the heterogeneity of the current situation, some main trends can be seen.

During economic crisis, the small and very small businesses are primarily affected. This phenomenon is particularly noticeable for Poland where the number of micro enterprises decreased by -18% between 2008 and 2009. The situation is quite similar for Portugal. In Latvia, the number of micro enterprises fell by -10% between 2008 and 2009.

In times of economic recovery, job creation mainly takes place in micro and small businesses. In Poland, between 2013 and 2014, the number of micro enterprises has increased by +2% and also small businesses by +2%. Between 2012 and 2013, the number of micro-enterprises has grown strongly in Portugal (+3%). This is the main, if not the only, driver of business creation. The situation is identical for Latvia.

This growth trend of entrepreneurship led by micro enterprises, in recovery periods, is also found for Spain and Estonia.

In Bulgaria, it is observed that the micro enterprises and self-employed are first increasing in times of recovery (between 2013 and 2014, +1% self-employed and +2% micro enterprises).

In the UK, the recovery period is characterised by an increase in the number of self-employed (+5% between 2013 and 2014). The situation is approximately the same for Sweden (+3%).

In the Netherlands, the situation is a little different. Along with the increasing number of self-employed (+2%), the number of business regardless of their size has decreased (-1%).

Concerning the employment categories evolution during 2008-2014, the use of temporary labour force as a variable of economic adjustment seems to be confirmed by the data analysis provided by Eurostat. In 2009, the year when the crisis was a fact for most member states, the number of temporary workers went down by 4% while the recovery period is marked by the opposite increase of +4%.

### Number of employee's in Europe - 2008 to 2014

	2008	2009	2010	2011	2012	2013	2014
Employees (in thousands)	184 850	180 559	178 678	178 670	178 030	178 302	181 287
<b>Yearly evolution (%)</b>		<b>-2%</b>	<b>-1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>2%</b>
Self-employed (in thousands)	30 855	30 640	30 810	30 392	30 435	30 484	30 581
<b>Yearly evolution (%)</b>		<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
Temporary employees (in thousands)	25 593	24 599	24 983	25 078	24 141	24 490	25 466
<b>Yearly evolution (%)</b>		<b>-4%</b>	<b>2%</b>	<b>0%</b>	<b>-4%</b>	<b>1%</b>	<b>4%</b>

Source: Eurostat

During this period, MS have adopted legal measures to better respond to new developments in labour relations observed on the European labour market (see 1.4).

### 1.3 Ratio of the number of labor inspectors by number of workers

This ratio relates to the number of inspectors by the number of employees during the period 2008 and 2014. It should be put into perspective when considering the labor market evolvment as a whole.

To analyze this issue, we are referring to the Convention no. 81 and to the document of the ILO Governing Body on "Strategies and practices for labor inspection".

- Article 10 of Convention no. 81 outlines that there should be a "sufficient number" of labor inspectors to ensure the job without determining the exact number.
- The ILO document on "Strategies and practices for labor inspection" outlines that "there is no formal definition of what should be a "sufficient" number of inspectors. This is partly related to the fact that each country has a different priority action programme. Moreover, the inspections have similar assignments, however, depending on the country, they may cover partial or total control of labor law legislation.

To estimate the number of inspectors, it is proposed to take into account at least some factors such as the number and the size of the companies and their total workforce.

Once this ratio is determined, it could be considered as the theoretical threshold of the workers' coverage that an inspector might manage in order to ensure their safety and protect their rights.

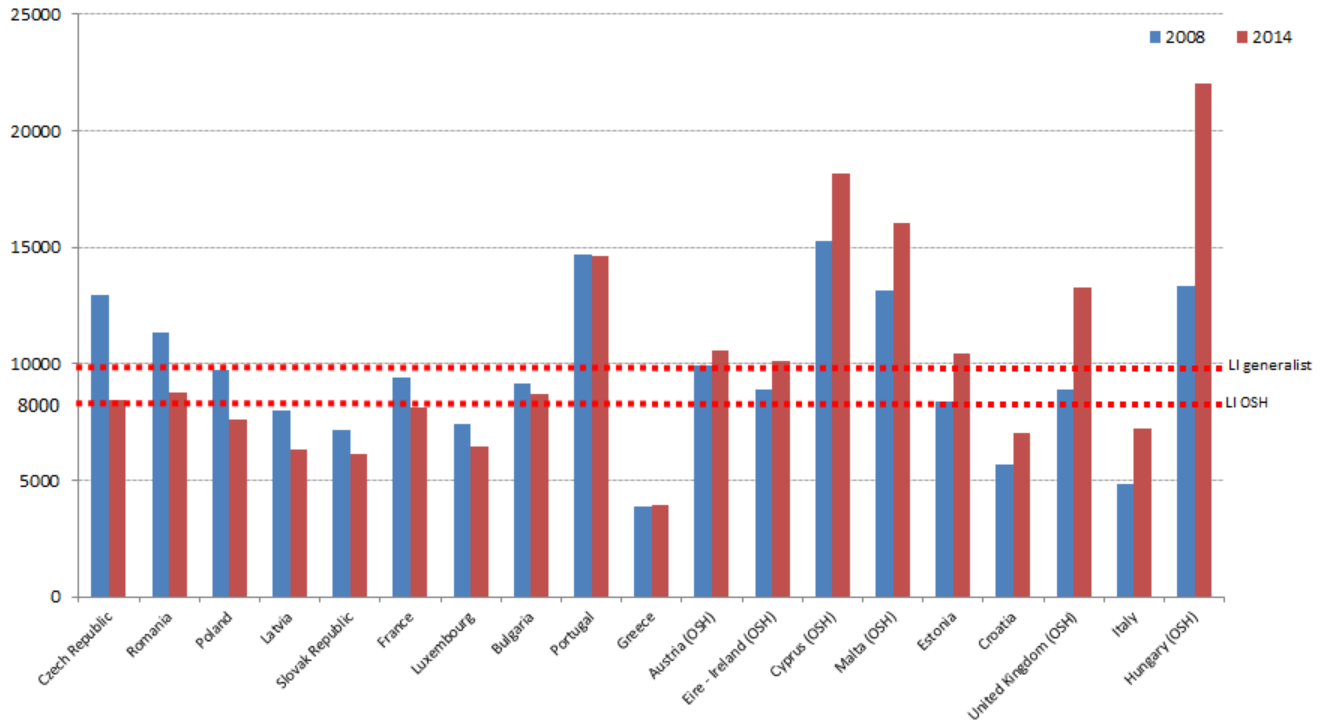
Regarding this, the ILO services consider as reasonable benchmarks that the number of labour inspectors in relation to workers should approach:

- 1/10,000 in industrial market economies,
- 1/15,000 in industrializing economies,
- 1/20,000 in transition economies,
- 1/40,000 in less developed countries.

However, in the SLIC work, the ratios make more reference to the OSH or generalist competencies inspections. In this case, the ratios are:

- 1/8,000 workers for OSH inspections,
- 1/10,000 workers for generalist inspections.

### Comparison of 1 inspector by number of workers - 2008 and 2014



Only OSH inspections are shown on the chart.

Out of the 19 MS, the analysis shows that:

- For all OSH inspections (6 out of 19 MS), the ratio of 1 LI /8,000 workers was already exceeded in 2008 and continues to grow during the period with a variation ranging from 7% to 65%.
- For generalist inspections (14 out of 19 MS), a reverse movement is observed, the ratio, which should be expected at 1 LI/ 10,000 workers, had a tendency to decrease with the exception of Portugal, Estonia, Croatia and Italy.

As an illustration, in 2014, the total of inspectors in Europe was at about 9,320 for 17 MS. The average ratio could then be 1 LI/11,510 workers.

Evolutions of the ratio can be explained by the labor market evolution and the number of LI.

- During the economic crisis, small and very small businesses were first affected. While in times of economic recovery, job creation is mainly achieved through these same companies' but also through self-employment.
- The employment's structures also play a role during the period of economic recovery; the jobs created are often temporary work and part-time work.
- Concerning the staff of the LI on 17 MS, 6 MS have seen their numbers grow. This is the case of Austria, Czech Republic, France, Luxembourg, Poland and Portugal. For 10 others MS, their staff decreased (Romania, Latvia, Bulgaria Greece, Ireland, Cyprus, Estonia, Croatia, UK and Hungary). During the period, Malta maintained the same number (see 2.2 Resources).



Impact on the labor inspection activities:

When economies recover, the SMEs employers' only seem to have one major concern, and that is to make their business stay alive and grow. They are not available and also deem investment in OSH resources and their management as a lower priority. Moreover, these identified companies did not establish OSH committees or appoint safety representatives (which promote social dialogue and play a very important role in the OSH management and act as important contributors at inspections). Thus: inspectors need to put more involvement and time into the investigations of these particular companies in order for them to both be able to, but also follow and comply to the rules and regulations.

#### **1.4 New legal and administrative measures, joint with labour inspection' powers to fight precarious employment, working condition degradation and undeclared work**

During this period, most MS have adopted of legal provisions and administrative measures in same time that new labour inspection' powers in order to fight precarious employment, working conditions deterioration and fight against undeclared work.

All MS answers are presented in detail in annex 2.

#### **Sanctions adopted by MS**

Since 2008, some MS have greatly strengthened the legal provisions to react better to the emerging atypical terms of labor relations that often characterize precarious employment. In some cases, this results from European directives transposition or corresponding amendments.

In case of legislation violation, sanctions have been adopted regarding fields such as:

- temporary agencies, in case of situation of illegal employment workers (Czech, Poland and Slovak),
- no protection of persons engaged in traineeships (France and Poland),
- false self-employment (Portugal),
- illegal employment of foreign labour (Poland),
- undeclared work (Greece and Spain),
- posting workers (Luxembourg),
- social insurance (Croatia, Cyprus and Greece).

Furthermore legal measures have been adopted to meet the atypical working relationships in adopting the concept of "flexicurity" (Estonia and Netherlands). As well the harmonization of relevant provisions with directives to safeguard the rights and interests of employees was implemented (Lithuania).

Also, a new fine system has been adopted in order to apply more soft penalties for SMEs (Hungary).

#### **Administrative measures adopted by MS**

Beyond the legal instruments, MS also adopted administrative measures and / or actions to fight any deterioration of working conditions.

To illustrate this, some measures should be mentioned:

- Creation of a national uniform approach in handling OSH complaints (data system), and further processing/investigation by the Labour Inspector on who has the responsibility for the geographic area where the complaint comes from. (Cyprus).
- Creation of a mandatory declaration on the OSH status and compliance of workplaces with statutory requirements to the labour inspection (Hungary, Lithuania).

The interest of this type of "OSH declaration" approach is "to give to the employers the opportunity to take careful attention of the status of OSH and employment rights within their own companies. Answering the questions in the declaration allows them to scrutinize the business's current status and draw up an OSH "road map" which helps to monitor, assess and remedy shortcomings, thus reducing the number of accidents at work and the risk of occupational illnesses" (Lithuania).

- Development of counselling work, implementation of a national helpline (also by e-mail) in order to inform employees and employers in the fields of the labour relations (e.g. questions regarding an employment contract, working and rest time, wages, holidays, work environment and collective labour relations...). An electronic newsletter and regular columns in the local newspapers and on cities web pages were realized in Estonia.

The Police officers and Border Guards were trained for the purpose of facilitating and strengthening the cooperation in dealing with the cases regarding forced labour and labour exploitation. Joint inspections with other authorities have been organized (Police and Border Guard Board, Tax and Customs Board and Road Administration) (Estonia).

- Spain has also decided to prioritise inspections on the working conditions.
- Following the new applications in road transport sector, a National Inspection Strategy was adopted to enforce the provisions on driving time and stopover time, mandatory breaks and drivers rest time (Poland).

### **New Labour Inspection powers**

Different NLI have acquired new powers and / or new missions in areas such as:

- OSH  
e.g. safety and health at work provisions (Cyprus); possibility to order examination and measurement of harmful and arduous factors in working environment (Poland).
- undeclared work  
e.g. closing "sospensione" of the business activity (Italy); new competency for NLI in Czech Rep.; applying penalties for failure to notify/register employees with the national tax administration and also administrative penalties for non-compliance with the Labour Inspectorate obligations, can now be decided by the Inspectorate itself (Latvia); "combating sham arrangements" (Netherlands).
- posting of workers  
e.g. cross-border cooperation agreement (Austria and Estonia); monitoring working conditions (Estonia); national cooperation with other authorities or institutions for information exchange and joint inspection (Estonia); creation of administrative fines in case of undeclared posting workers (France).

- employment agencies

e.g. In Poland, "broadened powers of labour inspectors to verify observance of conditions of running employment agencies (demand written and verbal information; interrogate persons taking advantage of such agencies services); LI has also the power to impose penalty tickets on the basis of the Act on employment promotion and labour market institutions (particularly on foreigners in illegal employment) without requests to courts.

- inspection of entities not having the status of employer

e.g. In Poland, extension of competence to inspect the legality of employment and OSH in entities which are not employers, nor entrepreneurs. These entities, such as associations, foundations and similar organizations, do not employ persons on the basis of an employment relationship, but entrust work to single persons (e.g. on the basis of civil law agreements).

- daily workers

e.g. In Romania, beyond labor relations rights, adoption of new legislation regarding daily workers.

- registration of collective agreements

e.g. In Romania, the registration of collective agreements concluded at the enterprise level.

- to fight "grey business"

e.g. In 2016, Swedish LI will launch a major work with the police, tax authorities and other agencies. The goal is that no one should be able to use poor work environment as a competitive advantage.

- LI organization

e.g. In Croatia LI has created a new organization unit for employment inspection.

## **II - Impact of budgetary restriction on the Labour Inspectorate**

### **2.1 Organizational changes**

- Out of the 24 responding countries 18 clearly stated that there had been some organizational changes during the period. However, some organizational restructuring should not be seen as solely a reaction to the economic crisis – most organizations do reorganizations at some point of time as part of finding new ways of working and responding to challenges in society. The main reason for this continuous process is of course to increase efficiency and make a better utilization of both the human and economic resources. With this said it can be stated that several countries have done some major shifts in the way occupational health and safety is managed on a national level, and more specifically on a regional and local level. In the case that this can be said to be connected to budget constraints, the most common approach is to centralize and reduce the amount of inspectorate departments or divisions.

- Another change that has been done/is being done in order to meet up to the needs of increasing organizational efficiency, with lower or unchanged budget, is to hand over responsibilities for administrative tasks to another authority, and transform those employments with inspectors. But in some instances those positions are not replaced thus resulting in a fewer amount of inspectors. Apart from pure organizational changes also the activities and competences are in some cases changed from regional to national activities and more of broad and general competencies. This means that in some instances the reorganization has led to a new way of working in-between different parts of the organization, for instance with field based inspectors working on the same team as policy based inspectors.

There is however one example where work activities rather has been grouped by theme, e.g. manufacturing and construction sector, services sector, horizontal OSH issues and provision of OSH training sector.

- A general trend among the responding countries is to find ways of organizing the work to be able to prioritize the efforts to where there is the most need for inspections (i.e. identifying worst cases for most impact). In two cases a specific challenge can be noted as a direct factor for both a new organization and ways of working, and that is the identification of undeclared work that has severe impact on workers' health and society's welfare system due to the loss of tax income. In one country this resulted in the establishment of a new inspection department in each labour inspectorate, plus that new regional offices (for illegal/undeclared work inspections units) were established in regions where no labour inspectorate was present at the time. This is one example of what can be considered to be a general approach during the period, but also up until today for many countries, and that is to within the organizational changes look for ways of increasing legal powers, for instance by administrative fines, and targeting specific prioritized parts of the work market to increase impact. In one country it was specifically stated that:

*“due to the impact of the economic crisis/.../there has been a shift of the labour inspection from the identification of formal (or "bureaucratic") violation to the recognition of substantial violation”.*

- All in all – there seems to have been quite some changes taking place within the different countries when it comes to how inspections of occupational safety and health has been organised and performed. There is however little evidence that the changes has been undertaken solely due to the fact of the economic crisis as such. There are very few examples where it is stated that the economic crisis/financial aspects was part of the reasoning behind the changes. It is however quite plausible to see the different types of organizational changes taking place during the period as reactions to the changing societal environment including a harsher economic situation, be it specific challenges for work environment or general public reviews for optimizing authorities efficiency. Either way it has heavily affected labour inspection in all countries when it comes to how they work – and still does.

## 2.2 Resources (budgetary and human)

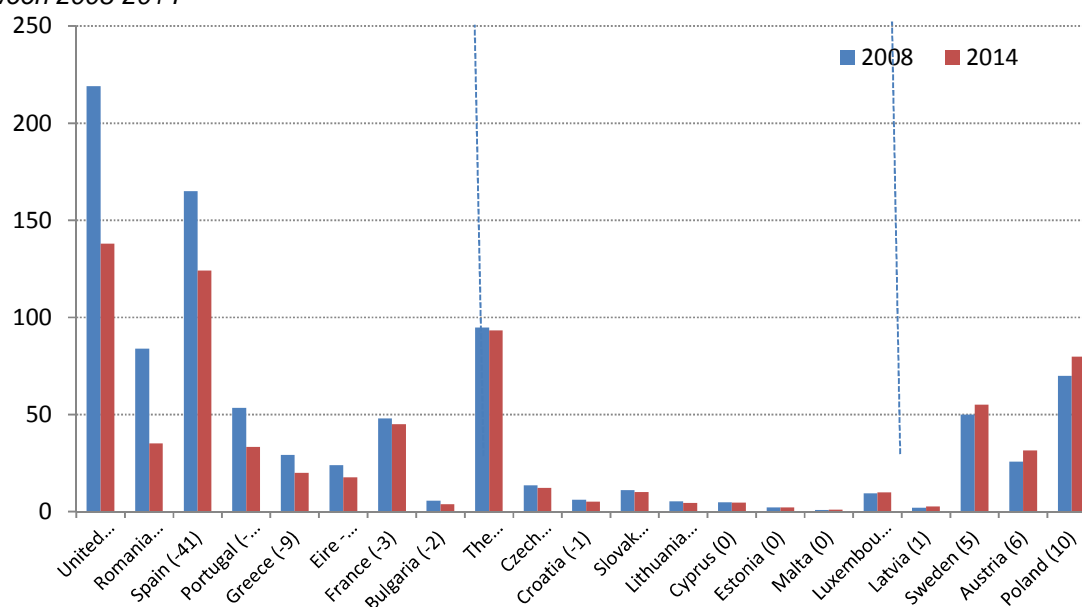
The resource analysis primarily focuses on the overall budget of the NLI (21 MS responded to the question) during the period 2008-2014. Then, the analysis focuses on how NLI have distributed this budget on human resources, training, investment (ITC, cars ...) and operational expenditure.

Those data are linked with questions on the organization and activities of the Labour Inspection (see 2.1 and 2.3). The goal was to analyze if there was - or not - an impact of budgetary austerity on the NLI operation.

### NLI global budgetary evolution

#### NLI global budgetary in 2004 and 2014 (in M€)

Note: The data in brackets measures changes in the budget of the country in absolute terms in M€ between 2008-2014



During this period, three general trends are visible, which covers all countries and help to group the countries in relation to their budget evolution:

- Shrinking budgets, 9 out of 21 MS between 2008 and 2014. This is the case of the UK for example, for which the budget has decreased by 37% (-81M €) and Portugal which is experiencing a 38% drop (€ -20M) between 2008 and 2014. For Spain, the specific budget for labor inspection is included in the overall budget of the ministry, and their budget decrease is part of the global reduction of the public service;

- Constant/unchanged budgets, 9 MS for which budgets are almost constant between 2008 and 2014. Estonia, for example, has a budget of € 2.2M in 2008 and to 2.1M € in 2014;

- Increasing budgets, 3 MS have been their budgets increasing between 2008 and 2014. For example, Poland budget has growth by 14% (10M€) between these dates.

These findings apply to a comparison of the years 2008 and 2014, without specifying the fluctuations that can exist between the two dates observed. The changes are more differentiated when we study the evolution from one year to another within the same country. Despite these evolutions, some MS, which underwent budget cuts, have never recovered their initial budgets from before the economic crisis.

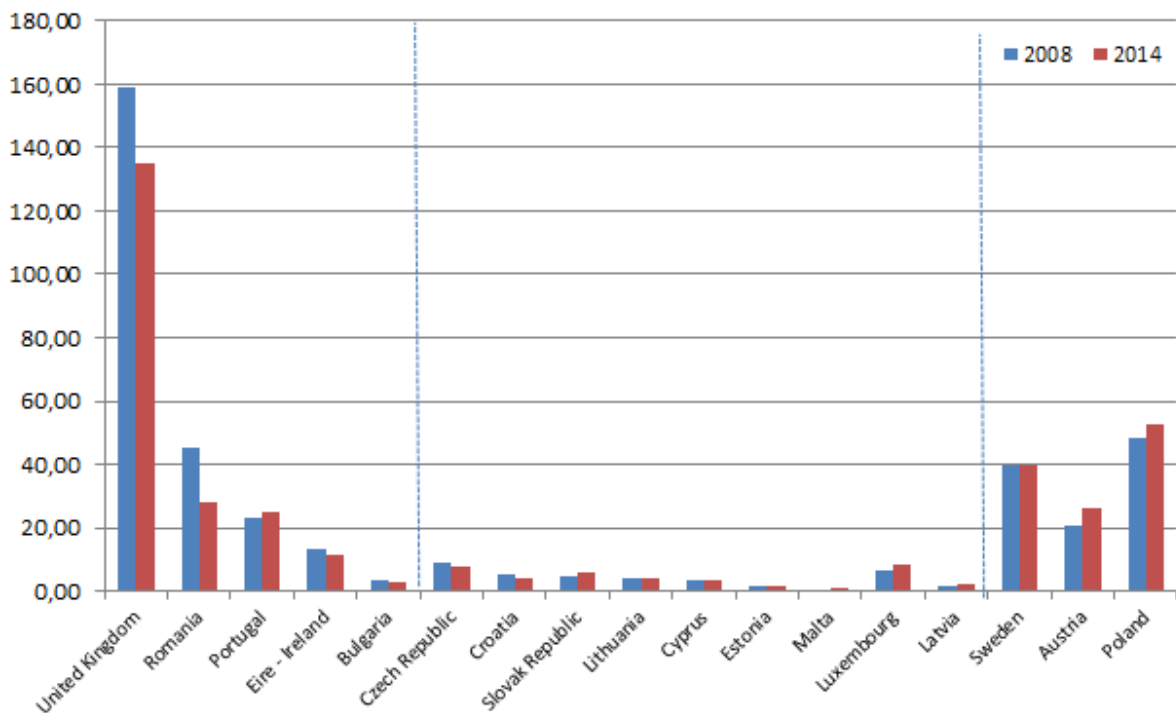
For the MS, for which budget austerity seems less marked, it is necessary to underline that in the medium term (6 years), budgets have remained constant even if living standards evolved in these countries. This relative stability is to be analyzed with caution and is not necessarily a sign of an improving budgetary condition of NLI. For example, salaries and promotions in certain LI of some MS were frozen. It is therefore necessary to analyze these variations by re-contextualizing them in the MS global economy.

In six MS, part of the NLI budget is coming of other resources such as tax or fees. It is the case of Cyprus, Ireland, Malta, Poland, Sweden and the United Kingdom. These resources can be important in the LI budget. For example, for the LI of the UK, it represents 59% of the overall budget. In Malta and Sweden, 100% of the budget comes from these resources.

**Overall breakdown by category: human resources, training, investment and operational expenditure**

17 MS responded to this part of the questionnaire.

**NLI human resources budgetary (all staff) in 2004 and 2014 (in M€)**



For all MS affected or not by budgetary restrictions, we find that:

- The strategy between MS is very similar, efforts were focused on human resources and have reduced training, investments and operational expenditures between 2008 and 2014. A summary of human resources by MS is presented in annex 3.

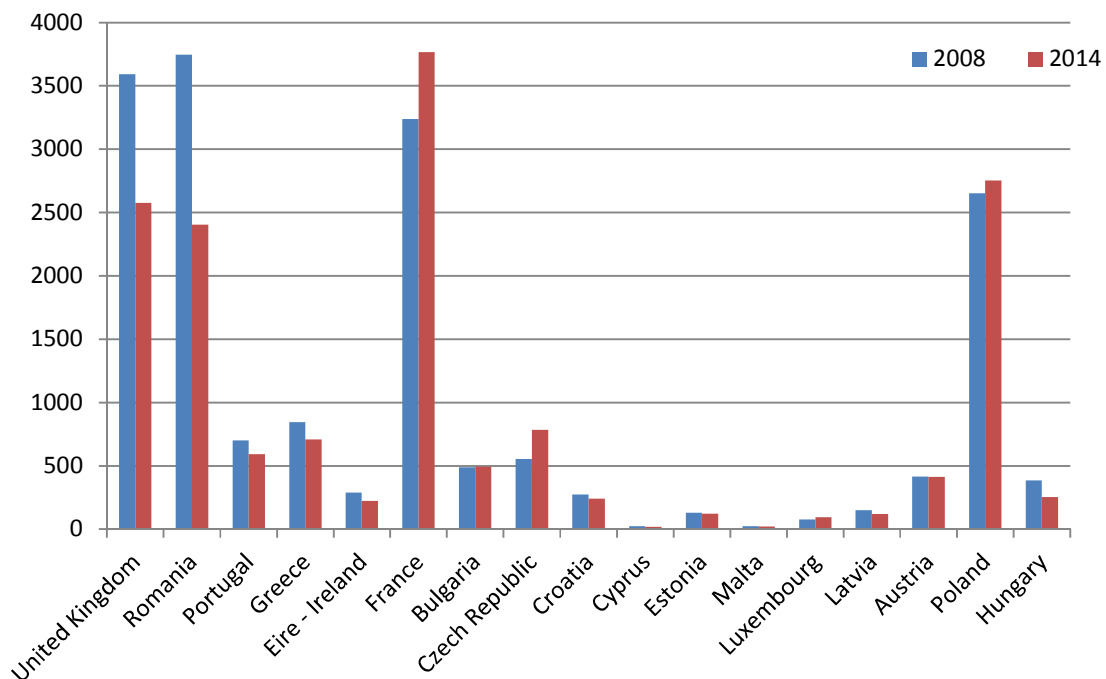
Three trends emerge between 2008 and 2014:

- 6 out of 17 MS reduced their human resources budget (-11% to -37% over the period). This is the case of the UK, Romania, Ireland, Bulgaria Czech Republic and Croatia.

- 4 out of 17 MS have maintained the same budget (-7% to + 5%). This is the case of Lithuania, Cyprus, Estonia and Sweden.

- 7 out of 17 MS increased their budget in relative terms (+ 8% to + 29%). This is the case of Portugal, Slovakia, Malta, Luxembourg, Austria and Latvia Poland.

**MS global staff (inspectors, managers, administrative) in 2008 and 2014 (in number)**



Human resources (labor inspection, managers and administrative staff) of the European labour administration system decreased by 11%.

Among the 17 MS, 4 MS saw their resources increase (FR, CZ, LU and PL). For the other MS, NLI number stayed stable (AT, BG) or decreased (-4 to -36%).

In the case of the French labour inspection, the resources significantly increased because of the consolidation into a unique administrative structure (General Directorate of Labour) of all inspectors from the industry/services, the agriculture and the transport during the period.

Concerning the Czech Republic, “in 2012, the State Labour Inspection Office acquired a new competency in the field of combatting illegal/undeclared work which is the reason why the number of inspectors and lawyers (and their supervisors) increased dramatically. This was made possible by using the European Social Found (ESF) project. In 2014, when the ESF project ended, the respective staff numbers decreased (i.e. temporary employment contracts of certain inspectors expired)”.

The details of the allocation of resources on the inspectors, managers and administrative staff (data and graphics) by MS are presented in annex 4.

One can observe that:

**- Inspectors (17 MS)**

In 2014, there are a total of 9,322 inspectors in 17 MS with a decrease of about 1% during the period.

4 MS (PT, FR, CZ, PL) saw their number of inspectors increase, 13 MS experienced a significant reduction from -5% to -35%.

**- Managers (14 MS)**

There are less than 10% of managers across all MS.

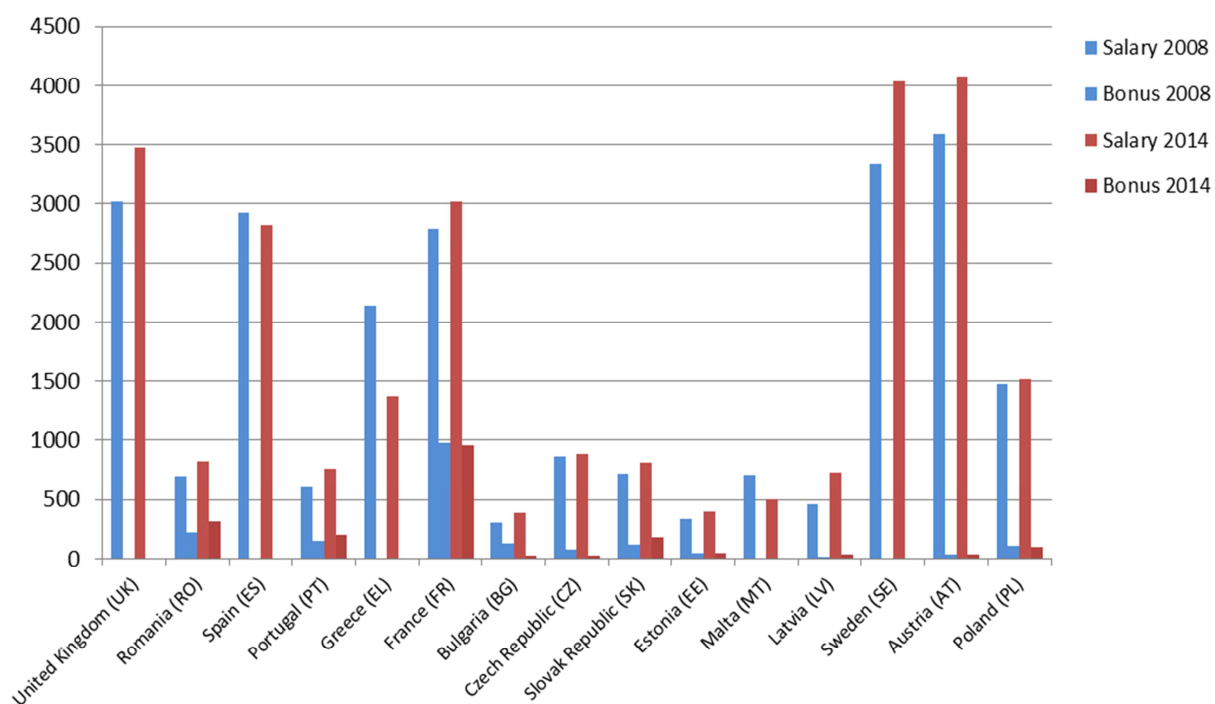
3 MS saw a relative increase, the real number is of 6/PL, 14/BG and 20/CZ.

The other 11 MS remained stable or suffered a decrease from -10% to -32% of managers.

**- Administrative staff (16 MS)**

This is the more affected resource for the majority of MS ranging from -13% to -60%, except BG (+11 officers), CZ (+12 officers), EE (+8 officers) and LU (+3 officers). There are 25% less administrative staff for all MS.

**MS average annual salary and bonuses in 2008 and 2014 (in €)**





Over 15 MS, it is noted that on period 2008-2014:

- The ratio of wages between EU labour inspectorates varies from 1 to 10.
- For 12 of these MS, the wage increased, ranging from +2 to + 56% over the period (UK, RO, PT, FR, BG, CZ, SK, EE, LV, SE, AT, PL);
- For Estonia, Greece and Malta, the wage decreased (-3 to -36%). For Greece, the number of months paid decreased from 14 to 12 months between 2008 and 2014.

The number of month paid by year is different between MS:

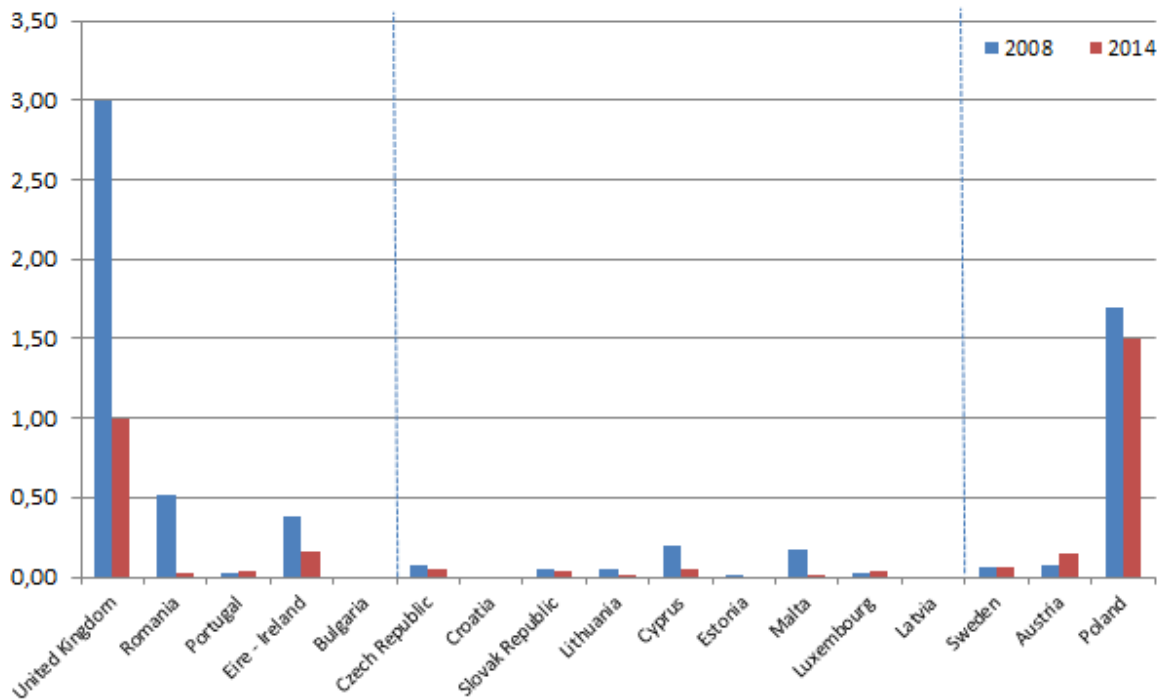
Number of month by year			
11	12	13	14
Estonia	United Kingdom Romania France Bulgaria Czech Republic Slovak Republic Malta Latvia Sweden	Poland	Spain Portugal
		← Greece	

According to the provided information by 10 MS on the bonus system during the period 2008-2014, we can observe that:

- For 5 of those MS, the bonus increased (AT, PT, RO, SK) from + 9% to + 50%. Latvia bonus was multiplied by 10.
- For France the bonus remains stable.
- For the 4 MS remaining, the bonus decreases from -6% to -82% (BG, CZ, EE, PL).

Finally, for 5 out of 10 MS, the salary increase is accompanied by a bonus increase. In the other 5 cases, an effort is put on increasing wages, even if it comes at the expense of the bonus being decreased.

### Training budget in 2008 and 2014 (in M€)

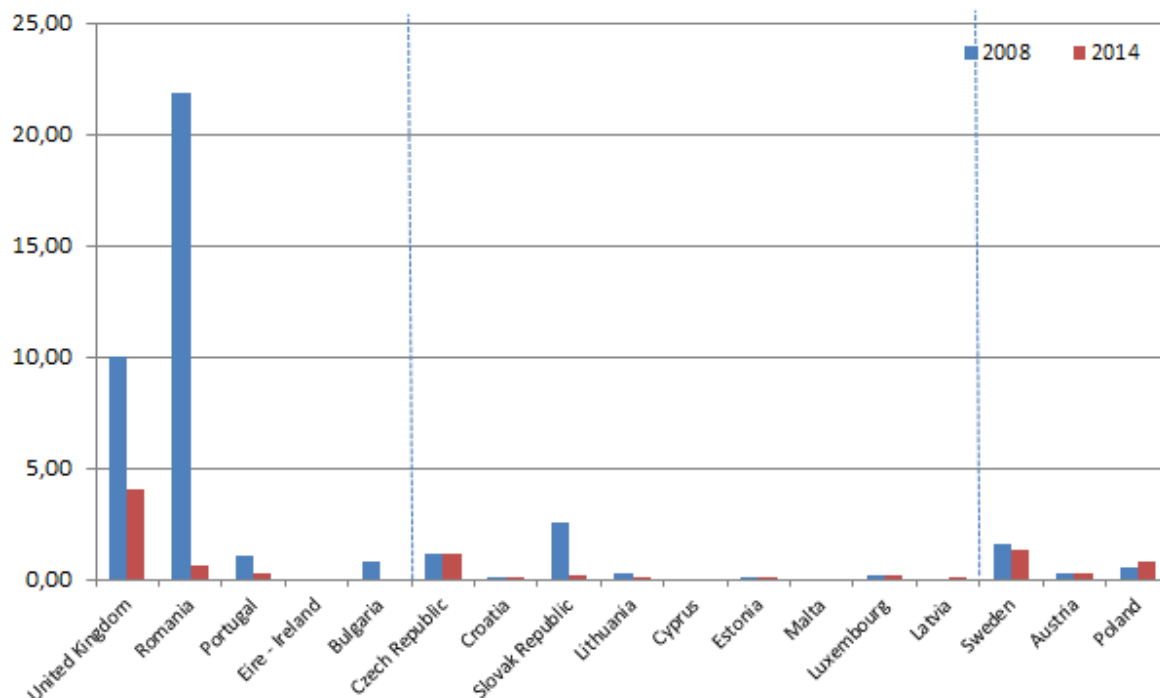


For most MS (9 out of 14 MS), the share of the overall budget allocated to training in 2008 was relatively insignificant, with the exception of the UK, RO, IE, CY, MT and PL.

In 2014, 11 MS have greatly reduced their training budget. Sweden maintained its budget, and Austria, Luxembourg and Portugal increased the share of the budget devoted to training.

Lithuania and Slovak Republic benefited of financial support from the European Social Found to carry out training projects. Moreover, for Lithuania, a «quality management system » based on « Balanced scorecard method » was implemented (see question 22).

### Investments budget (ICT, cars...) in 2008 and 2014 (M€)



For a majority of MS (12 out of 14 MS), investments were reduced or maintained over the period. Only 2 MS (LV, PL) have increased their investments.

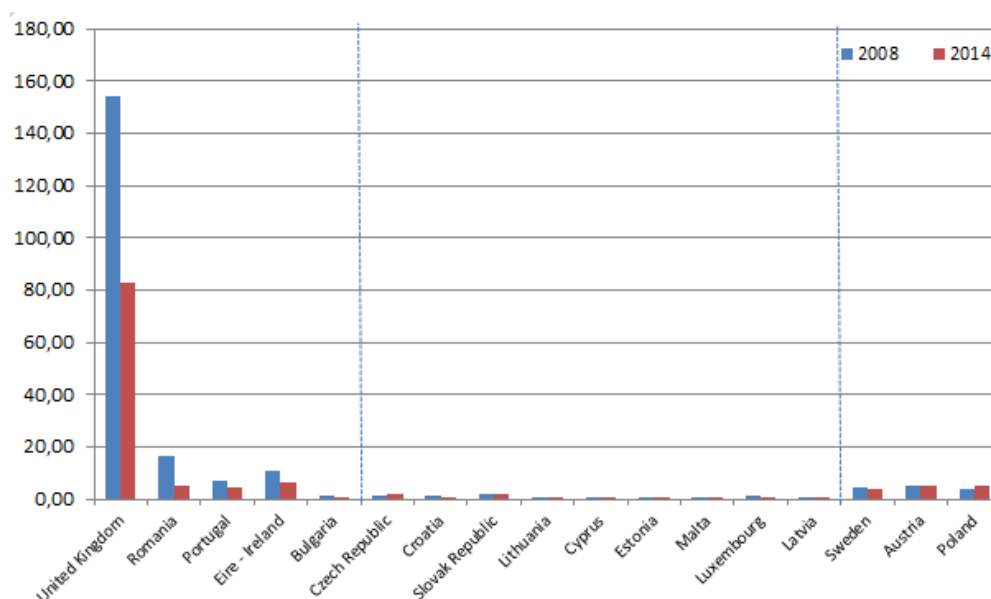
For some MS, the significant reduction of investments did however not prevent the development of ICT tools to improve the efficiency of the inspection system, particularly for the management and the targeting of controls (see question 21).

For example, the UK, with a decrease of 60% of its investments, developed targeting and management tools following their investigations in the companies ("Find-It and Do-it tools").

Estonia, with a drop similar to the UK, implemented a software (e-labour inspectorate) for faster communication between LI and companies.

For more information, see chapter 3.3, new approach for more efficiency and evaluation methods, point development of tools LI.

### Operational expenditure (rent, electricity, fuel...) in 2008 and 2014 (M€)



Out of the 17 MS which responded to this question for the period 2008- 2014, one can observe that:

- For 10 out of 17 MS, the operational expenses decreased significantly (from -11% to -88%);
- For Austria and Malta, their expenses remained relatively stable;
- For the other 5 MS (CZ, CY, SK, LV, PL) their operational expenditure increased (from +5% to +33%).

However, the figures about operational expenditure do not allow to analyzing the evolution of this budget item.

## **2.3 LI performance and activities**

For inspections, investigations and following actions (enforcement), the numbers show a range of experiences for NLI across the survey period. Very few countries reported large fluctuations in numbers, and the levels of enforcement remained mostly proportionate to the numbers of inspections and investigations. Many NLI experienced peaks or troughs of activity through the survey period, but overall, the trends do not appear to show considerable or significant changes for most countries.

### **Inspections and investigations**

For inspections at the end of the survey period, just over half of NLI were undertaking greater or similar numbers of inspections to those in 2008. This could be explained by more efficient working, additional resourcing or changes in the targeting and conduct of inspections. For several, there was a noticeable peak in inspection numbers between 2009 and 2013, followed by activity close to 2008 levels. Two NLI showed a temporary dip in inspection numbers over a similar period, but returned to historical levels by 2014.

The trends for investigations showed similar numbers were undertaken across 2008-2014 by most NLI, albeit with temporary increases or reductions within the period. This suggests that the number of reported incidents has been similar and the approach and to selecting investigations has been consistent in many countries.

For approximately one third of NLI, there was some reduction in the numbers of investigations, whilst the numbers of inspections stayed the same or increased. It is not clear whether fewer incidents were reported or the operational focus of these NLI was deliberately shifted from reactive to proactive demands. For two NLI reporting a more significant reduction in investigations, their enforcement profile was largely maintained, which may mean the reduction was targeted and justifiable.

### **NLI action resulting from inspections and investigations**

Generally, enforcement levels at the end of the period are either consistent or have increased, in relation to the numbers of inspections and investigations and compared with the levels in 2008. For the few countries reporting a less active enforcement profile, there appears to a stronger link with reduced numbers of inspections, rather than with reduced investigation activity. Less enforcement may mean that businesses have reduced risks and improved compliance with legislation, but we cannot say this with confidence because it may just be the result of undertaking fewer inspections.

The majority of NLI maintained or increased the number of cases presented to the public prosecutor. For the other enforcement categories (improvement notices, cessation of work and administrative fines), the trends were balanced evenly between consistent and reducing activity over the period surveyed.

In some countries, there was a peak in the number of improvement notices between 2009-2013, which may reflect heightened reluctance and restrictions within businesses to invest in necessary improvements during this period. There was no apparent pattern in the correlation between more administrative fines, as reported by three countries, and any of the other activities.

For the cessation of work activities, almost half of the NLI reported reduced activity over the survey period. Several of these countries also reported reduced numbers of improvement notices, although there was no apparent correlation with the numbers of inspections or investigations undertaken 2008-2014. This may reflect NLI resources being focused on more serious breaches, or it could be that less serious risks were being found in businesses. Cessation of work activities is more likely to be imposed in higher risk industries (e.g. construction) and heightened economic decline in these sectors may explain the reduced NLI activity.

### **Quantities and quality**

Most NLIs do not appear to have significantly changed their approach to enforcement decisions after inspections and investigations. Where reduced activity is apparent, this may be linked to resources and to targeting approaches or it may reflect the changing risk profile of industries and business through 2008-2014. The links with economic activity must be relevant, at some level, and reduced construction industry activity alone could explain some of the fluctuations in NLI activity reported.

Several countries have maintained very similar activity profiles and even where NLIs have reduced their inspection activity, the approach to investigating incidents was largely consistent. Whilst the numbers indicate the quantity of activities, they can only hint at whether NLIs have improved the quality, effectiveness and impact of their interactions with businesses.

Levels of regulatory activity fluctuated 2008-2014, but there were no significant trends and activity has largely returned to levels similar to those of 2008. Generally, enforcement profiles have increased or remained similar and there is not a strong correlation between changes in enforcement activity and the numbers of inspections and investigations. For some member states, this may reflect similar numbers of inspections and investigations of incidents reported to the NLI; in some, it reflects fewer inspectors doing more work to maintain regulatory activities.

Restricted resourcing for NLIs is liable to have focussed inspector attention on more serious risks through improved targeting of inspections and investigations. Difficult economic circumstances may have impacted more on employers with poor management systems, driving them out of business and leaving those with better OSH arrangements operating during 2008-2014. These effects, in combination with reduced investment by employers and the increasing numbers of small and micro-enterprises, might explain why the number of improvement notices increased in several member states, whilst there were reduced numbers for the cessation of work activities by NLIs.

Whatever the causes of the variations in activity, it appears that NLIs have found effective methods for maintaining performance over the longer term.

## **2.4 LI working condition**

The analyses show that the NLI staff working time has suffered similar changes as ordinary workers during the economic crisis.

The most common measure against the crisis has been the increase of working time while keeping the same salary or even reducing it. Some countries have at the same time given its civil servants unpaid holydays or days off, including of course the NLI staff.

However, most Member States could cope with the financial problems caused by the crisis without having to reduce salaries or to increase working time.

On the other hand, incidents including verbal or physical aggression, or minor problems intended to prevent labour inspectors from doing their job have increased in almost every Member State. These incidents are the result of the deteriorating social climate overall in Europe, that affects specifically the relationship between workers, enterprises and Civil Administration. The countries have also unanimously reported a rise in tense and stressful situations that makes nowadays labour inspections such a tough work to do.

To face up these difficulties the Member States have taken different measures. The most common one is to train labour inspectors in conflict solving skills. They have also provided labour inspectors psychological support and instructions on how to prepare specifically for hard visits.

Some countries have also made legal changes in order to protect civil servants against threats, violence or any other acts that endanger themselves or their families or properties. In the last few years it has become very common for labour inspectors to visit the working places in a team of at least two inspectors, or accompanied by police officers.

Nearly all Member States have not evaluated the impact of crisis on the Labour Inspection work. Although there have been some slight changes, the economic crisis has not caused a great restructuring on the labour inspection job. Basically the economic activity is reduced and so are the number of employees and inspection actions, though it has not affected the structure and the spirit of the National Labour Inspection.

*A fairly severe review can be made on the very little interest shown by the Member States in remote working or teleworking. Most of them have not taken any measures in this particular point, which is a very powerful advantage in the defense of the reconciliation between professional and personal life.*

Some countries had already implemented a remote working program, including laptops, home Wi-Fi, and other ICT tools that allow work outside the Official State Headquarters. In these cases the measures have been taken irrespective of the economic crisis, as a way of saving money and time well before the crisis even started.

### **III - Good practices developed and evolution of the LI system**

#### **3.1 Experiences summarize**

The impact of economic recession and the policy of public expenditure cuts have posed limitations to available resources for the majority of the National Labour Inspectorates (NLIs). These limitations put significant pressure over NLIs and force them to transform in order to operate at the modern dynamic labour-market landscape, shaped by recession and emerging issues such as posting of workers. In order to cope with this situation, several measures were taken by member states. These measures mainly aimed at increasing LI's performance and capacity, either by providing added value services, or just by strict enforcement steer.

Specifically, a number of good practices were proposed by the Member States that participated to the survey. Those were either actual measures taken and practices followed by NLIs that have actually resulted to measurable results, or just proposals, which are expected to have positive results over the National LI at periods of economic slowdown from a qualitative point of view.

The proposed measures as identified by the survey are presented in the following table:

#	Proposed measure / measure taken							
1	Targeting OSH inspections according to priorities (e.g. High risk sector, SMEs etc.)	CY	IE	ES	LT	FR	PT	UK
2	Use of ICT to aid the inspection process	IE	EL	ES	PT	UK		
3	Develop partnerships with other Stakeholders / Interested parties	CY	EL	FR	PT			
4	Do not change the fundamental approach to inspection/investigation and continue with the established enforcement policies / Focus on Core Business (OSH legislation compliance)	CY	SK	UK				
5	Sustain number of Inspectors at any cost - Avoid the budget and staff reduction	CZ	IT					
6	Information dissemination and technical advice - Organize "Open Days"	HU	PT					
7	Recovering costs from employers has been effective and the professionalism of inspectors is recognised by employers. Search for financial support other than governmental budget.	IT	UK					
8	Focus on posting of workers	FR						
9	Evaluate LI efficiency	HU						
10	Motivate inspectors (e.g. financial motives)	SK						
11	Training	SK						

It can be seen that one of the most important measures to be taken is that of targeting OSH inspections according to priorities. Special campaigns could be organized in order to for additional attention to be given at sectors that appear to be more vulnerable, such as high risk enterprises or SMEs. The focus on information dissemination and technical advice, such as focusing on making accessible OSH information, contributes to the awareness and necessity of compliance with legal rules at a relatively low cost increasing effectiveness. That concept could also include the organization of events such as "Open Days".

OHS education and training lags behind on all levels and on all relevant parties (employers, employees, representatives, OHS specialists and personnel). This is mainly due to the lack of OHS integration into educational systems. In order to achieve that, NLI should develop partnerships with other Stakeholders and/or interested parties. NLI play a key role and hold a central position in the network formed by social partners, employers, employees' organizations, legislation and all determinants that form OSH. Close collaboration / development of partnerships with social partners, employers' and employees' organizations, research institutes etc. could burst new competencies, pinpoint major issues that need special attention and create a collaborative environment to cope with major issues on the labour market and working conditions that have been raised due to economic slowdown.

Sustaining the number of Inspectors is essential, even though this is not always possible during periods of resection. Training programs could improve their effectiveness and make them more capable of dealing with challenging situations such as new emerging risk or issues like posting of workers. Apart from all these, NLI should not change the fundamental approach to inspection/investigation and should continue with the well-established enforcement policies. Additional motivation of inspectors could improve the work satisfaction index and enhance their commitment.



Technology can play a significant role in transforming the well-established paradigm of National Inspectorate and become the vehicle for the transition to the new era. The use of ICT has a number of advantages such as:

- Support enhanced targeting of inspections
- Reduce the time inspectors spend recording their work
- Reduce operational costs
- Provide a clear picture of OSH performance over a geographical region or an economic sector
- Measure performance in an easy and accurate way
- Analysis and extended studies of work injuries

Actually, in countries that have recently implemented ICT technologies to assist NLI's work, even though they experienced a reduction of the available budget and staff there was only a marginal difference of the number of inspections performed compared to previous years.

Finally, the traditional Governmental resource allocation scheme could be transformed since LI could explore new source of funding, by making use of its competitive advantage that is its know-how and experience. Recovering costs from employers has been effective in the UK while as an added value the professionalism of inspectors is recognised by employers.

This table could become a roadmap for measures to be taken by NLIs during periods of economic slowdown in order to support its effort and sustain a satisfactory OSH level. Learning by experience is an effective way to cope with limitations and obstacles that may appear in near future.

### **3.2 New programs actions and targets**

Following the crisis context, with strong social impacts the NLI were adjusting their programs and targets.

It should be stressed that the majority of MS has prioritized action lines, training of inspectors and other support staff to contribute to a more effective and efficient work. In the context of widespread crisis, the NLI prioritized interventions in the sectors traditionally most vulnerable where is employed of intensive and less skilled labour.

One hand, the MS mostly expressed concerns with the resources phenomena to illegal work, foreign workers who are unaware of their rights, temporary work and other kinds of precarious work, to fraudulent practices when establishing labour relations that could harm the workers and the State. They added as well the non-compliance of the rules on working time and rest.

In addition to the above concerns, transversal to all sectors of the economy, MS had in consideration the prioritization of risk prevention actions / issues, accidents and occupational diseases, as well as the promotion of safety and health at work.

Regardless of the inspection systems of each MS, generalist or specialist, somehow, all reported concerns related to the issues identified above, and, accordingly, the sectors of activity where they were committed to more features of the NLI, were precisely the activity sectors that traditionally more resort to illegal or precarious labour and, statistically, higher level of claims presented, highlighting, according to the obtained answers, construction, agriculture, production and processing of wood, HORECA (hotel, restaurants and catering), trade, services and storage.

On can observe that:

### **Programming national priorities actions**

- Matters and activity sectors

Fields:

- illegal work and related matters ("gray economy"),
- posting of workers,
- temporary work,
- employment promoted by private placement agencies,
- all forms of precarious employment,
- control of working hours and rest,
- fulfillment of obligations relating to payment of wages and other benefits (13 out of 24 MS) and OSH.

Prioritization sectors:

- construction was indicated by almost half of MS (13 out of 24 MS);
- agriculture and HORECA (each one with 6 out of 24 MS);
- forest, production, slaughter and processing of wood; manufacturing and processing industry; services, retail and storage (each one activities with 4 out of 24 MS);
- public garage; fishing; entertainment industry; metal industry; vehicle safety (each one activities with 1 out of 24 MS).

- Definition of minimum annual number of inspections each inspector with regard to the thematic/sector

The MS have, in general, the number of inspection visits by inspector/ per year, laid down in the respective national or regional activity plans. With exceptions, the existence of definition of number of visits per inspector is not implemented. E.g.:

- Austria referred to have inspected 13335 workplaces for verification of compliance with the rules on working time;
- Bulgaria indicates the assignment of 402 visits within the framework of the construction;
- Cyprus, indicates that between 2008-2011 each inspector had 210 inspection visits per year, between 2012-2014, rose to 250 in priority sectors and themes.
- Eire-Ireland assigns each inspector 300 inspections/year and 250 in the agricultural sector and the remaining distributed by other priority sectors;
- Estonia stated that they, by each inspector, made around of 200 inspections per year;
- France devotes 1000 inspections per month in the fight against undeclared work, 25.5% being carried out with other control bodies;
- Portugal has made, with the same purpose, 2153 inspections during 2014.
- UK affects 50% of inspective interventions to the construction sector.

- Inspectors training

Almost 50% of MS means that the crisis has not affected their training plans (10 out of 24). However, in the most MS, inspectors training (and other staff of the NLI) suffered some reduction. E.g.:

- Nine out of 24 MS, changed the volume of training provided and/or focused materials or training sectors that took priority, such as training in matters of undeclared work, fraud to the law, OSH ... (e.g. Latvia, Greece, Portugal, Spain);
- Some MS have sought financial support through the European Social Found to carry out training projects considered relevant (e.g. Lithuania and Slovak Republic);

- Other MS covered training needs using cooperation with intergovernmental departments (Cyprus), or investing in the development of guidelines (Croatia), or by clarifying briefings of enlightenment (Eire-Ireland).

It follows that, of the various possible ways, all MS, including referring to a reduction in the volume of training available, where finding the appropriate solutions to ensure the training they considered more relevant to labour inspectors. Important was to provide them with tools for more efficiency in the intervention in sectors and priority substances in the period under review.

### Targeting Inspection Action

16 out of 24 MS have changed their working methods, particularly with regard to indicators/targets of action. However, the MS have pointed the activities trend to proactive prevention in regard to diseases and accidents at work.

They have indicated that their activities are oriented to micro enterprises with high risk activities, SMEs and self-employment without forgetting the illegal work and precarious working conditions.

In the field of OSH, the indicators that drive the inspections activities are the serious or fatal accidents (10 out of 24 MS), exposure to asbestos and notifications of occupational diseases.

#### Some MS use of tools such as:

- Accident Frequency Indicators (Cyprus),
- Enterprises Risk Assessment System (Lithuania),
- Question set on Inspection Recording System and then completed by inspectors during the inspection (Eire-Ireland),
- Also illegal or precarious work indicators indicated by France and Greece.

For micro enterprises and SMEs, as well as for the self-employed, MS (7 out of 24) indicate that they orient the activities to check and support the legal compliance of these categories of companies.

Complaints and requests for inspection influence also the MS inspection activities (10 out of 24).

#### Proactive and reactive actions

Almost all MS underline the growth of reactive action but part of them (11 out of 24 MS) combine proactive and reactive inspections. For example:

NLIs	% proactive actions	% reactive actions
Bulgaria	70%	30%
Cyprus	50%	50%
Eire-Ireland	94% (beginner crisis-2008) 87% (2014)	6%  13%
Lithuania	65% (2014)	35%
Poland	65%	35%
Spain	50%	50%
Slovak Republic	34% (2014)	66%
UK	60%	40%

Other MS (5 out of 24) like Croatia, Czech Republic, Estonia, Greece and Italy pointed proactive inspection as the working method adopted. Hungary also adopted proactive method but complaints and inspection requests are among the indicators used to plan NLI activities.

## **Fighting precarious work (vulnerable workers)**

Most MS have adopted specific programs to fight precarious and undeclared work but those that didn't do it focused their OSH actions in sectors which might use precarious employment.

### Examples of the NLLs programs:

- Bulgaria has focused on the lawful performance of employment mediation and the activities of Temporary Work Agencies and User Undertakings.
- Czech Republic concentrated efforts with foreign workers, migrant workers and posted workers.
- Estonia performed inspections in order to verify the compliance with the requirements for working and rest time, working conditions for minors and undeclared work.
- France has adopted a National Plan to fight against illegal work since 2008.
- Lithuania, in 2008, implemented preventative measures against the shadow economy and carried out inspections of employment of foreign citizens, posted and seasonal workers.
- Poland was particularly concerned with employees of security agencies and persons engaged in horticulture, employment on the basis of fixed-term contracts, civil-law contracts and employment agencies.
- Portugal launched a national campaign to provide visibility and increase social reprehensibility regarding the use of undeclared work. It was also created inspections in economic sectors where false independent work is used as a daily resource, (clinics, beauty salons and wellbeing centers).
- Spain approved a Social Fraud Plan in order to penalize those who, under the support of employability, fraudulently use social benefits.
- Suomi-Finland has been defining targets concerning foreign workforce which often don't know their rights.

### Creation of new LI units:

- Latvia, in 2013, has affected 22 new inspectors to carry out inspections concerning undeclared work. In 2005 until 2013, it has adopted a State Program to fight against the precarious work, ("Implementation of undeclared employment reduction policy").
- Slovak Republic had created new units for inspection to fight undeclared employment ("Kobra"). These units are specific because they perform controls daily in the afternoon, at night, during weekends and holidays.

### Approach by OSH, for example:

- Eire-Ireland is focusing on high-risk sectors.
- United Kingdom has not a special program to fight against precarious employment. However, it has liaison agreements for sharing intelligence with other regulators. If there is evidence of inadequate OSH management, these interventions may contribute fighting precarious employment.

### 3.3 New approach for more efficiency and evaluation methods

#### Development of partnership

Taking into consideration that during the crisis period there were a lot of changes on the labour market (e.g. increase of vulnerable workers) on one hand, and also in the organisation of the national labour inspectorates (e.g. reduction of the number of inspectors, reduction of budget, reorganisation of some competencies) on the other hand, some member states considered that they could maintain or increase the impact of their activity by developing special partnerships with other national organisations (see graph below).



- Half of the responding member states (12 out of 24: Bulgaria, Cyprus, Czech Republic, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Portugal) had **agreements with other state's services**, in the majority of the cases, these agreements being signed in order to fight against illegal / undeclared work, or the grey economy. Also there were agreements signed with other Governmental Authorities where the parties established how they should work so as to avoid duplication and minimise government interference in the business sector.

Many of these kinds of agreements were signed with tax or custom authorities, social security bodies, police, and employment agencies.

- Some member states (11 out of 24: Bulgaria, Cyprus, Czech Republic, France, Hungary, Ireland, Italy, Latvia, Portugal, Slovakia, United Kingdom) had **cooperation with social partners** on the fight against illegal work, unfair salaries, precarious work, termination of employment relationship in an incorrect way, promotion and training on OSH issues, better targeting the inspection activities and/or sharing of good practices, information and advice on posting of workers' legal requirements, improving engagement and impact on OSH issues in particular industries.

- Also, some member states (9 out of 24: Cyprus, Czech Republic, France, Hungary, Italy, Ireland, Latvia, Portugal, Slovakia) concluded **partnerships with professional organisations**, with the aim to fight against illegal work, to obtain expertise in the course of the accidents at work investigation, to find solutions for the consequences of the crisis such as e. g. precarious work, termination of employment relationship in an incorrect way etc.

For example, in Italy, regarding the cooperation with professional organizations, there is a particular declaration, called ASSECO, arisen from a dedicated agreement between the Ministry of Labour and the National Association of Labour Consultants, since January 2014. The

ASSECO is a declaration requested by the employer to the latter Association (normally through his own consultant), aimed at assert his regularity regarding applied working and social security conditions to his workers (more specifically on working time, child labour, OSH, collective agreements application, wages). The declaration from the employer is followed by that from the labour consultant, and the documents are given on a fair basis, and it is actually a declaration of a complete regularity of the employers managing the working conditions. The final scope is to target the inspections other than to the employers covered by the ASSECO (not in case of specific campaigns or of specific requests of judicial/administrative authority).

- Some member states also developed **cooperation with technical agencies** (7 out of 24: Cyprus, Czech Republic, France, Hungary, Italy, Latvia, Portugal), especially in the field of constructions, cleaning and security services, other technical organisations.
- Also, there were agreements of **cooperation with research institutes** (7 out of 24: Cyprus, Czech Republic, France, Hungary, Italy, Latvia and Portugal). The main object of these kind of agreements was the elaboration of research / academic studies on OSH and other issues related to the activity of the national labour inspectorate.
- In some cases (7 out of 24: Cyprus, Czech Republic, Hungary, Ireland, Latvia, Portugal, Sweden), **agreements with non-governmental organisations** were signed with the aim to promote health and safety issues particularly in sectors like agriculture and construction.

The rest of the responding member states declared that these kinds of agreements also exist in their countries, but were signed regardless of the crisis.

### **Development of communication**

As a general remark for this point, it can be observed that, in the reference period, the majority of the responding member states developed different means of communication in order to cover those fields / areas / issues left behind due to the reduction of staff or of the resources allocated to the usual inspection / prevention activities. The national labour inspectorates have tried, in this reference period, to take advantage of the development of electronic communication means.

- Half of the responding member states (12 out of 24: Bulgaria, Cyprus, Estonia, Finland, France, Hungary, Ireland, Latvia, Lithuania, Poland, Portugal, United Kingdom) developed one or more **information campaigns**, many of those in the field of workers' rights, young generation education on OSH and other rights as workers, better self-management of OSH in the enterprise, rules on the posting of workers, working time, information for employers / employees / representative organisations etc.

Many of these campaigns were accompanied by information material in the form of brochures or leaflets for easy dissemination. Also, the national labour inspectorates used in some cases the social media networks like Facebook, Twitter or YouTube to promote these actions. Also, conferences and roadshow activities were organised, as well as cooperation with mass-media. Another example refers to an "anti-crisis package" used to tackle the effects of the crises from different angles.

Particular campaigns organized for a short period of one day, with the participation of local employers in a specific economic activity such as agriculture, construction or on specific topic like working rest time for drivers, turned to be very popular among target groups. These short meetings also consisted of OSH demonstrations and training exercises.

- Many of the responding member states (13 out of 24: Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Ireland, Italy, Latvia, Lithuania, Portugal, Slovakia, United

Kingdom) chose to develop the communication by publishing **information or technical support on website** / internet.

This information referred to legislative provisions for employers and employees, good practices, guides, leaflets and messages regarding OSH and other labour issues, specific tools like OiRA, inspection questionnaires / checklists, online interactive consultation, FAQ, electronic on-line form for complaint submission etc.

Also, some member states created dedicated web pages for specific issues like work-related stress, work safety, working life portal or a compensation simulator to calculate compensations due to termination of employment contract.

Another approach used for this development of communication was to move toward supporting self-help of the target group in order to increase knowledge and awareness (e.g. simple risk assessment guides).

- The majority of the responding member states (13 out of 24: Bulgaria, Croatia, Estonia, Greece, Hungary, Ireland, Latvia, Lithuania, Luxembourg, Poland, Portugal, Slovakia, Sweden) have set up and organised **call centres**, as a direct way for providing immediate information to those interested.

Some of these call centres were able also to provide information in different languages, and some of them work also as an anticorruption phone line.

- Besides what has been mentioned above, the national labour inspectorates also developed **other means of communication**, for example:

- free-of-charge consultation services for public, which have been used more frequently as a result of crisis; (former) employees sought advice concerning e.g. unpaid wages / benefits, etc.
- electronic newsletter, published regularly, with articles and news about labour relation and health and safety at work, instructions for a start-up enterprise;
- participation at fairs and exhibitions (construction, education, agriculture etc.);
- activity on social media like Facebook and Twitter;
- educational movies;
- open days at labour inspectorates;
- lectures of labour inspectors at schools;
- migrating to online/digital communication by default.

### **Development of tools LI**

Due to the crisis context and to the fact that budgetary resources diminished, as well as the number of the staff, many national labour inspectorates chose to develop specific tools like check-lists, guides, ICT for the use of labour inspectors or management, in order to be more efficient in their activity and to increase the impact they have on the labour market. The other member states responded that they also have this kind of tools for labour inspectors, not developed due to the crisis but for their usual activity.

- Half of the responding countries (12 out of 24: Croatia, Cyprus, Estonia, Finland, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal, Sweden) elaborated and implemented **check-lists**, for the use of labour inspectors, so they can be more effective in their inspection activity. These check-lists were used, usually, for targeted inspections, campaigns (construction, woodworking, agriculture, furniture production, metalworking, beauty salons, fisheries etc.), or for specific topics like rights of the posted workers, undeclared work and discrimination at the work place.

In some cases these check-lists were accompanied by guidelines for the use of labour inspectors, or those were made available to the public on the website, so that all economic operators have access to this information and to the respective legal requirements.

Some member states declared that these check-lists were intended also to provide methodological assistance for the labour inspectors and to reduce psychological strain during inspections.

- The majority of the responding member states (15 out of 24: Croatia, Cyprus, Czech Republic, Estonia, Finland, France, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal, Slovakia, Sweden) elaborated also, in the reference period, **guides / guidelines** for the use of labour inspectors.

Among the objectives of these guides, it can be mentioned: OSH/labour relations/legality of employment topics, psychosocial risk factors, risks assessment, specific risks of extreme hot or cold temperature conditions, vademecum on posting, instructions for inspections in certain situations, investigation of work accidents, suspension of work equipment or activities, undeclared work inspection methods, inspection of foreign workforce and discrimination at work etc.

Many of these guides were made available to the general public on the websites and some member states declared that also training for labour inspectors was provided regarding the provisions of these guides / guidelines.

- Another important tool used by the national labour inspectorates in this period was the introduction or development (upgrade) of **information and communications technology (ICT)**. This kind of tool is beneficial for both labour inspectors, who are able to quickly find information about companies, and for the management of the NLI, in order to assess the impact of the activity and to prioritize the future actions and allocation of the resources.

In general, member states implemented new software tools for their own use, in order to record information about control activity, to organize and plan future inspections, or to find information about the employer and previous enforcement measures.

More sophisticated software include also organisational and logistical modules (business trips, means of transport, maps and geo-location), electronic diary (schedule), access to a legislative database or to a personalised database with typical legal measures. Some of these ICT tools facilitate the drafting of post-inspection documents, like reports, improvement notices and contravention report) and it helps generating complex statistical reports regarding the inspection activity.

Some member states introduced new IT systems for the electronic evidence of information about employees, employment contracts and other labour relation data.

Also, some of these ICT tools interact with other national databases, like health services, employment agencies, citizens' offices, or even with enterprises, in order to quickly send letters and enforcement notices electronically.

A few inspectorates developed and implemented mobile workplaces for labour inspectors, allowing them to use portable and tablet computers to work remotely. Remote working enable inspectors from any location to view and complete their assigned tasks, to get information from other state government information systems, to plan travel routes, use GPS navigation services etc.

Many of the responding member states declared that inspectors are provided with smartphones with internet and e-mail access, GPS and camera.



- **Other specific tools** used by national labour inspectorates in order to be more efficient due to the crisis context are:

- implementation of new systems for fining the SMEs (for application of more lenient penalties),
- developing a complete professional database,
- developing electronic check-lists and unitary procedures to help save time for writing reports and to increase efficiency and effectiveness,
- adaption of OiRA (working in office),
- special training for labour inspectors to deal with the new competencies like market surveillance,
- professional English language training,
- increased use of non-inspector administrative staff for following-up complaints, targeting inspections and assisting in investigations.

### **Methods to evaluate the impact of new measures or the effectiveness of the activities**

After this reference period and taking into consideration the newly introduced measures (budgetary restrictions, restructuring, new partnerships, new tools etc.), some of the member state tried to **evaluate the impact of these new measures and the effectiveness of the activities**.

- It is worth mentioning that, in general, all the responding countries have internal methods to evaluate their activity, not necessarily related to the crisis context. Most of these countries evaluate the activity on a yearly basis, during the preparation of the annual report.
- Some member states took the opportunity of using European non-refundable funds to develop projects that had among its objectives; the creation of systems and methods for assessing the activities (quality management systems).
- Moreover, some member states, being encouraged to take advantage of European Social Fund (ESF) and European Regional Development Fund (ERDF) as a consequence of budget cuts, used these funds to cover a part of operational expenditures and even salaries.
- Also, new budgetary plans introduced by various governments led national labour inspectorates to adapt and distribute the amounts allocated to strategic and concerted activities (goals). Thus, this strategy served as a tool to assign accurate budget amounts to specific activities and to keep track of their success / completion.
- One of the responding countries (United Kingdom) mentioned the introduction of employers' surveys to measure their perceptions of the activity of the labour inspector and also of the NLI. Also, some newly introduced measure was independently reviewed after one year being found to be operating effectively.

## **IV - Conclusions and perspectives**

### **4.1 Impact on the NLIs**

During the period 2008-2014, all the labor inspections have made significant changes to be able to better follow labor market evolution and manage budgetary restrictions introduced by the respective Member States governments.

The relative impact of these changes remains unclear. In practice, more in-depth analysis could be carried over some points in order to take full benefits of this report. Some proposals are presented below.

### **4.2 Challenges for labour inspections**

- **Facing the challenges of employment conditions in Europe**

The employment conditions have changed and more and more new ways of employment and new work organisations have been developed, and is continuously evolving.

It is important to understand and identify the potential challenges and risks related to health and safety at work regarding these new forms of employment and work organisations. It is a complex array of new professions, more diversified workplaces and atypical working hours. This, in combination with subcontracting, digital work, crowd-work, work on demand, sharing economy, supply chains, dependent self-employed workers – and the list can go on. Another topic coming more into focus nowadays is the migration aspect, and the in all MS witnessed negative impact that this has on the health and safety at work. A specific challenge is related to undeclared work and the workers that are put into danger by employers that are not following laws and regulations<sup>5</sup>.

All these challenges need to be taken into account if a safe and sound labour market is to evolve in each of the MS, and all of the labour inspectors need to be trained to deal with these accordingly. This is an immense task – but when looking into how the MS have dealt with the impact of crisis one can be quite optimistic – even though resources were being cut and prioritizations being made – most MS still managed to continue inspecting at the same level as before and with a high level of effectiveness.

- **NLI innovations**

This study highlighted the inspections innovative capacity under constant changes, under drastic restrictions, to find new ways of working by modernizing their methods and investing in ICT. The investment in personnel, particularly inspectors, played an important role.

Within a changing work environment, inspections will continue to seek new intervention approaches and strengthen partnerships to enforce OHS obligations and broader fundamental rights of workers especially in SMEs. SMEs being the - most important creators of new employments - but also (and because of) being central actors to reach for establishing a good work environment and safe-guarding health and safety from all aspects.

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<sup>5</sup> See point 19 of the council conclusions on "A new Agenda for Health and Safety at Work to foster better working conditions" adopted under Luxembourg Presidency".

### **4.3 Perspectives / areas for progress**

#### **❑ NLI efficiency progress**

The majority of MS have adopted administrative reforms, and it would be interesting to conduct "short" studies or surveys on:

- Inspectorates organization,
- resources to better define the ratios against the number of inspectors and number of workers or using other references such as enterprises sizes or sectors of activity.

Sustaining the number of inspectors is the most obvious successful approach to maintain performances levels but also focusing on inspectors own working environment and methods/tools should be priority number one. The success of the NLI lies within its own organisations possibility to make the most of the human and financial resources that are available.

It could also be useful to schedule some more detailed analysis/evaluation of particular aspects from the surveys. It is possible to target fewer NLIs with similar circumstances and experiences to uncover and share best practices more effectively and more quickly.

#### **❑ Progressing evaluation**

Some NLI are looking into quantitative indicators to assess the efficiency of for example inspections, however the evaluation approach on the impact of inspections has just begun to emerge. It's an axis that could be considered in the future.

#### **❑ Develop training and cooperation between inspections**

- Increasing the competence of the inspectors - according to the changes on the labour market - for better targeted campaigns and inspections in a constantly changing environment is a vital necessity to be effective and credible. This applies especially when it comes to collaborating with in the companies/enterprises. Hence the design of European training, in cooperation with existing training institutes, should both strengthen the consistency of European enforcement standards and develop cooperation on professional practices.

National research institutes within the field could lead to new knowledge and competencies and increase NLIs performance and capacity.

- In addition to training focused on major risks, an axis could be centered on intervention and prevention at the company/enterprise. Incidents including verbal or physical aggression, or minor problems intended to prevent labour inspectors from doing their job have increased during the period, this due to the worsened situation on the labour market, with a more prominent focus on the shadow economy and undeclared work. This means that NLIs tend to target companies that operate in this "grey economy – especially since this becomes more of a prioritized area in MS.

To face up to these challenges labour inspectors should be trained in conflict solving skills and be provided with psychological support and instructions on how to prepare visits in the companies/enterprises concerned.

## **Exchange of good practices on the management national policies**

The performance of the inspections is strongly linked to the approaches and methods of programming, thematic prioritization, targeted sector and business category. Capitalization and exchange of experiences on these fields deserve to be considered.

### It involves:

- Not to change the fundamental approach to enforcement policies but look for improvements in targeting and consistency.
- Promote consistency using aide memoirs for inspectors and shared focuses for increased impact.

## **Enhance the enforcement of the European standards in OSH (promoting/enforcement/communication)**

Continue to develop joint campaigns between inspections authorities - nationally and cross – border - focused on the major risks to SMEs.

### • **OSH Promoting**

- To develop a close collaboration of partnership with social partners, employers 'and employees`organisations to increase awareness on the OSH prevention.
- To inform all partnerships at European, national and local level on the specific risks of the sector that is dealt with. Their involvement would help and increase Labour inspectors` performance to a large extent.

In this area, it is very important also to reinforce the cooperation with the European Agency for Safety and Health at Work (EU-OSHA).

### • **Enforcement**

The most important measures to be taken are targeting OSH inspections according to priorities. Special campaigns could be organised for additional attention to be given at sectors that appear to be more of risk and involving vulnerable workers, such as high risk enterprises or SMEs.

Increase the skills of inspection authorities by developing guides and joint training building upon best practices in MS.

## **Communication**

Ensuing campaigns, quickly disseminate results to partners and web sites for information about health and safety - also this should be considered nationally and within cross-border projects.