EU Employment Law

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EU Employment Law

This fact sheet provides information on EU employment law. Information on both EU and UK legislation is provided as well as links to further information. The fact sheet should be used as guidance only and it is recommended that professional legal advice is sought before any formal action concerning this employment legislation is made.

European directives are addressed at the EU Member States who then have to implement them into their national law within a specified time-frame. The result of a directive is binding but the method of its implementation is the choice of the individual Member State. European regulations on the other hand are binding in their entirety and directly applicable to citizens, businesses and consumers in the EU Member States.

1. Anti-discrimination

EU legislation

Workplace discrimination
Directive 2000/78/EC establishes a general framework for equal treatment in employment and occupation, which forbids discrimination based on religion, belief, disability, age and sexual orientation.

The principle of equal treatment means that there shall be no direct or indirect discrimination on any of the grounds outlined above. In order to guarantee compliance with the principle of equal treatment in relation to persons with disabilities, reasonable accommodation shall be provided. This means that employers have to take appropriate measures to enable a person with a disability to participate in employment or to undergo training.

Racial and ethnic discrimination
The general principle of anti-discrimination is safeguarded at the EU level by Directive 2000/43/EC implementing the principle of equal treatment between persons irrespective of racial or ethnic origin.

The Directive covers areas such as education, social protection (social security and healthcare), social advantages and access to and supply of goods and services and goes beyond access to employment and self-employment (covered by Directive 2000/78/EC outlined above).

Under the Directive, all forms of direct or indirect discrimination on the grounds of race or ethnic origin are prohibited. Indirect discrimination may be in the form of less favourable treatment of the person or group of people concerned. Indirect discrimination can also happen in the form of an act that may appear to be neutral but is likely to have an unfavourable outcome for a person or a specific group of people. The only possible exception here is when race or ethnic origin constitutes a fundamental professional requirement. The Directive does not cover discrimination based on nationality.

Further information on anti-discrimination is available at: http://europa.eu.int/comm/employment_social/fundamental_rights/index_en.htm

UK legislation

Parts of Directive 2000/78/EC (The European Employment Directive) are implemented in the UK by the Employment Equality (Sexual Orientation) Regulation 2003, SI No 1661 and the Employment Equality (Religion or Belief) Regulation 2003, SI No 1660. In 1995, the Disability Discrimination Act (DDA) was passed by the UK Parliament. New provisions have been added to the original DDA and came into effect on 1 October 2004. The Employment Equality (Age) Regulations 2006, SI No 1031 dealing with age discrimination came into force on 1 October and 1 December 2006.

Information on anti-discrimination legislation in the UK is available at:
http://www.dti.gov.uk/employment/discrimination/index.html

2. Equal treatment of men and women in the workplace

EU legislation

Equality between men and women in the workplace is guaranteed by three pieces of EU legislation.

The Equal Pay Directive

This Directive specifies that an employer is not allowed to pay persons doing the same work or work of equal value differently due to their sex. If a job qualification or evaluation is used to determine the pay, it must use the same criteria for men and women and it has to be designed in such a way that it does not discriminate between the two sexes.

The Equal Treatment Directive
Directive 76/207/EC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and working conditions.

This Directive ensures equal access to all types and levels of vocational guidance and training and equal working conditions, including dismissal. A woman cannot be dismissed on grounds of pregnancy or maternity. However, the Directive does not apply to occupations where the sex of the employee is a determining factor.

Both the Equal Pay and the Equal Treatment Directive require the Member States to take the necessary measures to protect employees who have filed a complaint of unfair treatment against their employer against dismissal.

The Equal Social Security Directive

This Directive applies to members of the working population including self-employed persons, persons whose activity is interrupted by illness, maternity, accident or involuntary unemployment and persons seeking employment and to retired and disabled workers. The Directive does not apply to individual contracts, schemes having only one member and salaried workers.

Information about equal pay, equal treatment and equal social security is available from the European Commission’s Directorate General Employment and Social Affairs:
http://europa.eu.int/comm/employment_social/equ_opp/index_en.htm

UK legislation

Directive 75/117/EEC (The Equal Pay Directive) has been implemented into UK law by the following acts and regulations:

The Equal Pay Act 1970
The Sex Discrimination Act 1975
The Equal Pay (Amendment) Regulations 1983, SI No 1794
The Sex Discrimination Act 1986

These Acts can be ordered from the Stationery Office on 0870 600 5522.
Directive 76/207/EEC (The Equal Treatment Directive) has been implemented into UK Law by the Sex Discrimination Act 1975.

Directive 86/378/EEC on equal treatment for men and women in occupational social security was first implemented in the UK as the Personal and Occupational Pension Schemes Regulations 1996, but after several amendments to the 1996 Regulations, the Directive is now part of the Occupational and Personal Pension Schemes Regulations 2005, SI No 3164.

Information about equal pay and sex discrimination in the UK is available at the Department of Trade and Industry's website:
http://www.dti.gov.uk/employment/discrimination/index.html

Information on UK legislation on sex discrimination can be found at the Women & Equality Unit's website:
http://www.womenandequalityunit.gov.uk/legislation/index.htm

3. Fixed and part time work including employment contracts

EU legislation

There are three EU Directives that deal with the organisation of working time.

**Working Time Directive**


The Working Time Directive is intended to ensure that workers are protected against adverse effects on their health and safety that can be caused by excessively long working hours, inadequate rest or disruptive working patterns.

The Directive establishes in particular:
- a minimum daily rest period of eleven consecutive hours a day
- a rest break when the working day is longer than six hours
- a minimum rest period of one day a week
- a maximum working week of 48 hours on average including overtime
- a right to four weeks of paid annual leave
- normal hours of work for night workers may not exceed an average of eight hours in any 24-hour period

More information on the EU Working Time Directive is available at:

**Fixed-term work**
Directive 1999/70/EC of 28 June 1999 concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP.

The purpose of the Directive is to put into effect the framework agreement on fixed-term work concluded on 18 March 1999 between the European Trade Union Council (ETUC), the Union of Industrial and Employers' Confederations of Europe (UNICE) and the European Centre of Public Enterprises (CEEP).

The Directive aims to improve the quality of fixed-term work by ensuring the application of the principle of non-discrimination, and to prevent abuse arising from the use of successive fixed-term employment contracts.
To prevent abuse arising from the use of successive fixed-term employment contracts, the Member States must, after consultation with the social partners, introduce one or more of the following measures (taking account of the needs of specific sectors and/or categories of workers):

- objective reasons justifying the renewal of such contracts or relationships
- a maximum total duration of successive fixed-term employment contracts or relationships
- a maximum number of renewals

As far as possible, employers must provide fixed-term workers with access to appropriate training opportunities to enhance their skills, career development and occupational mobility. Fixed-term workers must also be taken into consideration when calculating the threshold above which workers' representative bodies may be constituted.

More information on European fixed-term work legislation is available at:  

**Part-time work**


This Directive states that, in respect of employment conditions, part-time workers shall not be treated in a less favourable manner than comparable full-time workers solely because they work part-time, unless different treatment is justified on objective grounds. Wherever possible, employers should give consideration to:

- requests by workers to transfer from full-time to part-time work that becomes available in the organisation
- requests by workers to transfer from part-time to full-time work or to increase their working hours should the opportunity arise
- the provision of timely information on the availability of part-time and full-time jobs in the organisation
- measures to facilitate access to part-time work at all levels of the organisation
- the provision of appropriate information to workers' representatives about part-time working in the organisation

More information on European part-time work legislation is available at:  

**Employment contracts**

**Directive 91/533/EEC** of 14 October 1991 on an employer's obligation to inform employees of the conditions applicable to the contract or employment relationship.

The Directive establishes in particular that an employer has to provide employees with a written contract of employment, a letter of engagement or one or more other written documents containing the following information:

- identity of the parties signing the contract
- place of work
- title, grade, nature or category of work or brief job specification
- date of commencement of contract or employment relationship
- in the case of a temporary contract or employment relationship, its expected duration
- amount of paid leave or procedures for allocating and determining such leave
- periods of notice to be observed by the employer and the employee should their contract or employment relationship be terminated or, where this cannot be indicated, the method for determining such a notice
- the basic pay to which the employee is entitled and other components of remuneration and frequency of payment
- length of working day or week
- any relevant collective agreements

Any change to the terms of the contract or employment relationship must be recorded in writing. More information on the Directive is available at:  
UK legislation


The Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002, SI No 2034, which came into force on 1 October 2002, have introduced new rights for employees on fixed-term contracts such as being entitled to the same pay and benefits, sick and holiday entitlements as comparable permanent employees.


The Part-time Workers Directive is implemented in the UK by the Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000, SI No 1551

More information on part-time work in the UK is available at: http://www.dti.gov.uk/employment/workandfamilies/part-time/page12080.html

Finally, the Employment Contracts Directive is implemented in the UK by the Employment Rights Act 1996.

More information on employment contracts in the UK is available at: http://www.dti.gov.uk/employment/employment-legislation/employment-contracts/index.html

4. Maternity rights

EU legislation

Pregnant workers

Directive 92/85/EEC of 19 October 1992 concerns the implementation of measures to encourage improvements in the health and safety of pregnant workers, women workers who have recently given birth and women who are breast-feeding.

This Directive is an application of the Framework Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work in general.

The Directive establishes a continuous period of maternity leave of at least 14 weeks (two of these weeks must be taken before delivery), the right to time off for ante-natal examinations without loss of pay if such examinations have to take place during working hours and that dismissal is prohibited on the grounds of maternity.

Pregnant workers may under no circumstances be obliged to perform duties for which assessment has revealed a risk of exposure to the agents and working conditions listed in Annex II, section A of the Directive. Female workers are not obliged to perform night work during their pregnancy and for a period following childbirth. They should be transferred to daytime work where possible, otherwise they should be excused from work or have their maternity leave extended.

However, the continuation of payment by the employer is not the same in all the Member States.

More information on EU maternity legislation can be found at: http://europa.eu.int/scadplus/leg/en/cha/c10914.htm
UK legislation

The Maternity and Parental Leave (Amendment) Regulations 2002, SI No 2789 introduced new maternity leave rights for women as of 6 April 2003. Pregnant workers are now entitled to 26 weeks’ ordinary maternity leave irrespective of how long they have worked for their employer. If a woman has worked for her employer for 26 weeks (continuous service) by the beginning of the 14th week before the expected week of childbirth, she can take additional maternity leave of 26 weeks. Additional maternity leave is normally unpaid but women may have contractual rights to pay during their additional maternity leave. The Statutory Maternity Pay, Social Security and Social Security Regulations 2006 which come into force on 1 April 2007 extends the statutory maternity leave to 39 weeks and all women will be entitled to take up to 52 weeks maternity leave.


More information on maternity rights in the UK is available at: http://www.dti.gov.uk/employment/workandfamilies/maternity-leave-pay/index.html

5. Parental leave

EU legislation

Parental leave

Directive 96/34/EEC of 3 June 1996 on the framework agreement on parental leave concluded by UNICE, CEEP and the ETUC.

The purpose of the Directive is to put into effect the framework agreement on parental leave concluded on 14 December 1995 between The Union of Industrial and Employers' Confederations of Europe (UNICE), the European Centre of Public Enterprises (CEEP) and the European Trade Union Council (ETUC).

The Directive lays down equal rights for men and women to parental leave on the grounds of birth or adoption. The parental leave can last up to three months. It also provides rules for protection against dismissal if parental leave is taken as well as for a right to return to the same or a similar job.


UK legislation

The Parental Leave Directive was extended to UK legislation by Directive 97/75/EEC. This Directive has been implemented in the UK by the Maternity and Parental Leave Regulations 1999, SI No 3312 that came into force on 15 December 1999, and which were amended in 2002 by The Maternity and Parental Leave (Amendment) Regulations 2002, SI No 2789.

Further information on parental leave in the UK is available at: http://www.dti.gov.uk/employment/workandfamilies/parental-leave/index.html

http://www.dti.gov.uk/employment/workandfamilies/index.html
6. Social security and pension rights

EU legislation

Three EU Directives tackle social security and pension issues.

The Statutory Social Security Directive
Directive 79/7/EC on the progressive implementation of the principle of equal treatment between men and women in matters of social security.

The scope of Directive 79/7/EC covers individuals in cases of sickness, invalidity, old age, industrial accidents and unemployment. No discrimination on the ground of sex, either directly or indirectly by reference in particular to family or marital status, may occur concerning the conditions of access to these schemes. The Directive applies to the entire working population including self-employed persons, retired and disabled workers.

The Social Security Directive

Directive 86/378/EEC, as amended by Directive 96/97/EC of 20 December 1996 amending Directive 86/378/EEC on the implementation of the principle of equal treatment for men and women in occupational social security schemes, covers the same areas as the Statutory Social Security Directive. The purpose of the Directive is to ensure that there is no discrimination between men and women due to gender in respect of benefits or access rules of pension schemes run by an employer. In other words, it seeks to import the 'equal treatment' principle into occupational pension schemes.

Moving between Member States
Directive 98/49/EC safeguards the supplementary pension rights of employed and self-employed persons moving within the Community.

The aim of this Directive is to protect the rights of members of supplementary pension schemes who move from one Member State to another. Such protection refers to pension rights under both voluntary and compulsory supplementary pension schemes. The Directive applies to members of supplementary pension schemes and others holding entitlements under such schemes who have acquired or are in the process of acquiring rights in one or more of the EU Member States.

Regulation (EEC) No 1408/71 deals with the application of social security schemes to employed persons and their families moving within the Community.

This Regulation applies to all legislation relating to the statutory social security branches concerning sickness and maternity benefits, invalidity benefits, old age benefits, survivor's benefits, benefits in respect of accidents at work and occupational diseases, unemployment benefits, family benefits, and death grants. It applies to general and special contributory and non-contributory social security schemes and to schemes concerning the liability of an employer or ship owner. The Regulation does not apply to medical or social assistance or to benefit schemes for war victims.

Information on pension rights at the EU level is available at:

More information on social security when moving between Member States is available at:

UK legislation

The Statutory Social Security Directive 79/7/EC has been implemented into UK law by the Social Security (Contributions) Act 1991 (c.42). The Social Security Directive 86/378/EC has been implemented into UK law by the Social Security Act 1989 (c.24).
Directive 98/49/EC has been implemented into UK law by the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991, SI No 167.

Information on pension rights in the UK is available at: http://www.dwp.gov.uk/lifeevent/penret/index.asp

7. Personal data

EU legislation

Protection of personal data
The protection of personal data is ensured by Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

The Directive applies to the processing of individuals’ personal data by other individuals, businesses, public authorities, etc. This concerns the processing of data wholly or partly by automatic means and the processing of data that form part of a filing system.

The aim of the Directive is to protect the fundamental rights and freedoms of individuals, in particular their right to privacy with respect to the processing of personal data. Under the Directive, data must be collected fairly and lawfully, which means collection for specified and legitimate purposes. Furthermore, the data must be accurate and not excessive in relation to the purposes for which it was collected. The Directive forbids the keeping of the data for longer than necessary. The organisation collecting the data is under the obligation to ensure the confidentiality and security of their processing.

The processing of personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs and trade-union membership is forbidden, as is the processing of data concerning health or sex life. This does however not apply when the person involved has given his or her explicit consent or when the processing is necessary for employment law purposes, in which case adequate safeguards will need to be provided. The person on whom data is being collected must be informed of the identity of the organisation collecting that data and of its reason for doing so.

The Directive also gives individuals the right to access data held on them except in certain cases such as police and HM Revenue & Customs records. In addition, the Directive provides for the right to have the data corrected and the right to object to certain types of data being processed in some instances.

The organisation collecting and processing the data is under the obligation to notify an independent supervisory body before carrying out wholly or partly automatic data processing operations. Those in business in the EU therefore have to register and ensure that they have procedures in place to give individuals copies of the data held on them. Those who suffer damage because of unlawful processing have a right to sue for damages. Individuals are also given the right to object to their data being held for direct marketing purposes.

Information on data protection at the EU level is available at: http://ec.europa.eu/justice_home/fsj/privacy/index_en.htm

UK legislation

Directive 95/46/EC has been implemented into UK law by the Data Protection Act 1998. In addition, the British standard on Information Security Management (BS 7799) helps businesses meet the requirements of the Data Protection Act.

For more information on this standard, contact the British Standard Institute: Tel. 020 8996 9000 or http://www.bsi-global.com.

Information on data protection legislation in the UK is available at: http://www.dca.gov.uk/ccpd/dpsubleg.htm
8. Transfer of undertakings (TUPE)

EU legislation

Transfer of undertakings


The Directive provides protection against dismissal due to a transfer of undertaking although dismissals are permissible if they are for economic, technical or organisational reasons. Regarding information and consultation, both undertakings involved are to inform the representatives of their respective employees affected by the transfer about the date or proposed date of the transfer, the reasons for the transfer, the legal, economic and social implications of the transfer for the employees and finally about any measures considered in relation to the employees.

This Directive shall not affect the right of Member States to apply or introduce laws, regulations or administrative provisions which are more favourable to employees or to promote or permit collective agreements or agreements between social partners that are more favourable to employees.

More information on EU legislation on the transfer of undertakings is available at: http://europa.eu.int/comm/employment_social/labour_law/documentation_en.htm#21.

UK legislation


The TUPE Regulations have been amended by the Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 1987, SI No 442, the Trade Union Reform and Employment Rights Act 1993, the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 1995, SI No 2587 and the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 1999, SI No 1925.

The latest amendment to the TUPE Regulations came into force in April 2006 with the Transfer of Undertakings (Protection of Employment) Regulations 2006, SI No 246. These amendments provide more clarity on whether or not the Regulations apply to particular contracting-out or analogous situations.

9. Information and consultation of employees

EU legislation

Informing and consulting employees

**Directive 2002/14/EC** establishes a general framework for informing and consulting employees in the European Community.

The purpose of this Directive is to establish a general framework setting out minimum requirements for employees' rights and for consultation of employees in undertakings or establishments across the EU. The scope of the Directive is restricted to undertakings with minimum 50 employees or establishments employing at least 20 employees. The Directive outlines broad guidelines and practical arrangements that are to be defined and implemented in accordance with national law and industrial relations practices in the individual Member States.

Under the Directive, employers have to disclose any information regarding the recent and probable development of the organisation's activities and economic situation. Employees also have to be kept informed of the situation of employment within the undertaking or establishment and of any envisaged measures, in particular when there is a threat to employment.

Finally, decisions likely to lead to substantial changes in the work organisation or contractual relations have to be made known to employees. The information has to be given at such a time, in such a fashion and with such content as is appropriate to enable employees' representatives to carry out an adequate study and, where necessary, prepare for consultation. Consultation has to be organised at the appropriate time at the relevant level of management and representation, and in such a way that enables employees' representatives to meet the employer and obtain a response. The Directive does not cover confidential information.


European Works Council

**Directive 94/45/EC** of 22 September 1994 deals with the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees.

The purpose of this Directive is to improve the right to information and to consultation of employees in Community-scale undertakings and Community-scale groups of undertakings. A European Works Council or a procedure for informing and consulting employees shall therefore be established in every Community-scale undertaking and group of undertakings.


Collective redundancies


The aim of this Directive is to give greater protection to workers in the event of a collective redundancy, i.e. a redundancy where 20 or more people are to be dismissed as redundant within a 90-day period. The Directive states that employers must hold consultations with the employees' representatives to discuss the means of avoiding redundancies or mitigating the consequences, for example by taking measures that contribute to the retraining or transfer of dismissed employees.

The Directive allows Member States to decide that employees' representatives may call upon assistance from experts. In such cases the employer has to provide the employees' representative with all relevant information.
Finally, the Directive lays down the procedure for collective redundancy. This procedure consists of
the following three steps:

1. The employer announces in writing any projected collective redundancy to the competent public
authority (The Department of Trade and Industry).
2. The employer forwards a copy of the notification to the employees’ representatives who may send
their comments to the competent public authority.
3. The collective redundancy takes effect at the earliest 30 days after the notification. The competent
public authority uses this period to seek solutions. Member States may grant the public authority
the power to reduce the above period or to extend it to 60 days or more following notification. This
third step is transposed in UK law as follows: In a case where between 20 and 99 redundancy
dismissals are proposed, the redundancy takes effect at the earliest 30 days after notification and
in a case where 100 or more dismissals are proposed, the redundancy takes effect at the earliest
90 days after notification.

Further information on collective redundancies is available at:

UK legislation

Directive 2002/14/EC has been implemented in the UK by the Information and Consultation of

The UK regulations titled the Transnational Information and Consultation of Employees Regulations
1999, SI No 3323 which came into force on 15 January 2000 implement the European Works Council
Directive 94/45/EC.

Directive 98/59/EC on collective redundancies has been implemented in the UK by the Trade Union

Information about the consultation of employees in the UK is available at:
http://www.dti.gov.uk/er/consultation.htm

More information about works councils is available at:
http://www.dti.gov.uk/er/europe/workscouncil.htm

More information on collective redundancies is available at:
http://www.dti.gov.uk/er/consultation/redundancy.htm

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