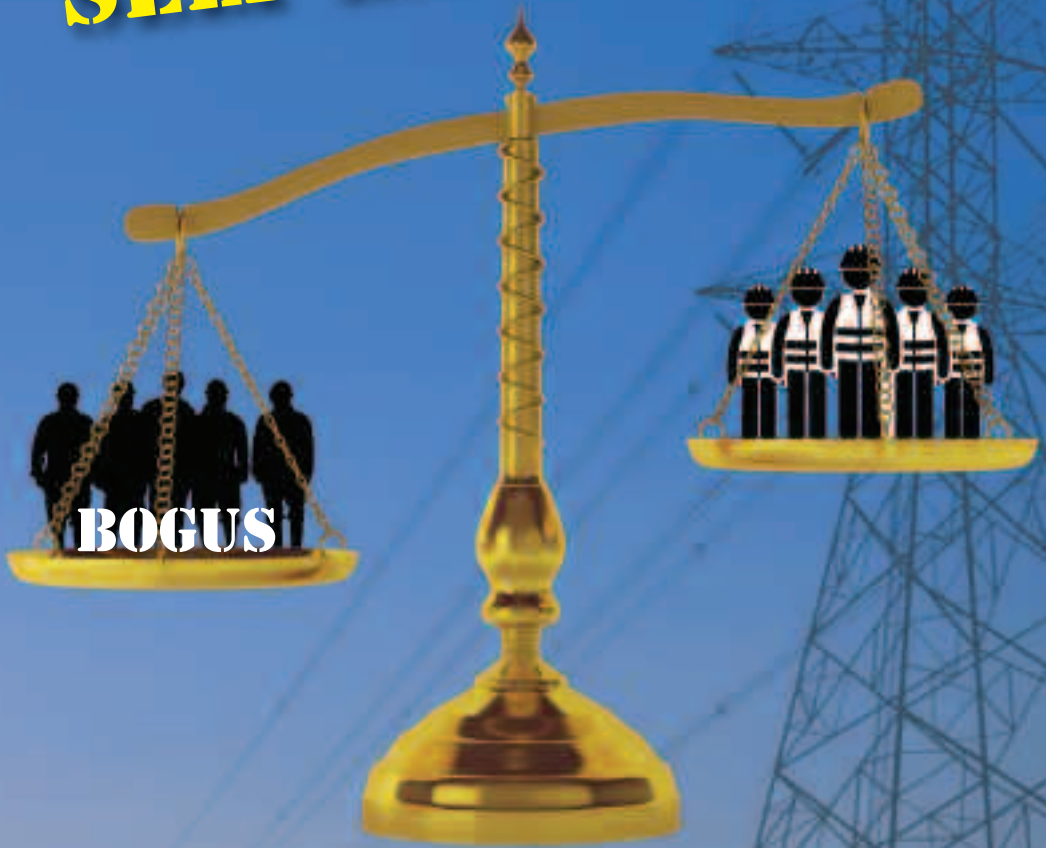


BOGUS SELF-EMPLOYMENT



**THE HARM IT DOES AND
HOW TO FIX IT**

Bogus self-employment:

the harm it does and how to fix it

SUMMARY

- ***Bogus self-employment*** is a threat to workers' terms, conditions, and rights
- ***Bogus self-employment*** is a threat to Trade Union Organisation and bargaining in the industry
- ***Bogus self-employment*** is growing in all parts of the economy – but it is at its worst in construction
- ***Bogus self-employment*** is not just an Irish problem – it is an international one
- ***Bogus self-employment*** is caused by employers who want to:
 - Drive down pay costs
 - Shift risk on to workers
 - Degrade regulation of the industry
 - Undermine workers' rights
 - Undermine workers' unions
 - *Bogus self-employment* leads to Tax & PSRI losses that harm all workers
- ***Bogus self-employment*** can be fought by:
 - Trade Union organising
 - Trade Union action for changes to the law
 - Trade Union action for a Workers Charter to make the employers use real employment in the industry

Foreword



Colleagues,

I am pleased to be able to introduce our latest addition to the series of TEEU publications designed to inform and assist our Full Time Officials, Branches, Shop Stewards, Members and Activists on the subject of Bogus Self Employment.

During the recent recession many workers including TEEU members found themselves being forced into various forms of Precarious Employment on a take it or leave it basis. Of all types of Precarious Employment, one of the most repugnant forms is Bogus Self Employment which this booklet sets out to expose, explain and how we as a union can tackle the exploitation of workers in this situation. As we go to print the British Trade Union movement have secured a landmark victory through the ruling on Friday 28th October on the employment rights of UBER workers.

As the Irish Economy continues to recover and grow, the TEEU is committed to supporting members and workers who are prepared to challenge this practice in all sectors of the Irish Economy.

I would like to thank all those involved in producing this important and timely TEEU publication, in particular Colin Whitston, Trade Unionist, Academic and Researcher who undertook the task of working with us to write the booklet and Brian Nolan, TEEU National Construction Official, who has been at the forefront of leading the TEEU campaign against Bogus Self Employment.

A handwritten signature in black ink, which appears to read 'P. Kavanagh'. The signature is written in a cursive, flowing style. Below the signature is a thin horizontal line.

PADDY KAVANAGH

TEEU, General Secretary

Contents

Introduction	5
Real self-employment	6
Bogus self-employment	6
How it looks in construction	8
Not just an Irish problem	10
Why is this happening?	11
Workers lose: themselves, their union and their class	13
The damage done	18
What is to be done?	20
A Workers' Charter	22

COLIN WHITSTON is Vice Dean in the School of Business with the National College of Ireland. Previously he worked as a Senior Research Fellow at the Industrial Relations Research Unit at Warwick University, and as Senior Lecturer in Industrial Relations at Keele University in the UK. He received a scholarship from the National Union of General and Municipal Workers to study at Ruskin College Oxford, where he was awarded a Diploma in Labour Studies.

As well as teaching in Ireland and the UK Colin has taught specialised courses in industrial relations in Germany and Slovakia, and has published widely in the UK, Europe, Canada and Australia on trade union organisation, policy, and membership. He has worked in the rubber, engineering, construction and transport industries.

Along with Jimmy Nolan of the TEEU, Colin is author of *Privatisation: Robbing the People's Wealth*, published by the Trade Union Left Forum and available on line at <http://www.tuleftforum.com/resources/discussion-papers/>

Introduction

The construction industry has been plagued for years by jibes about ‘cowboys’ and tax evasion – and that’s not just make believe. To the public, men in hard hats and high Vis jackets are all building workers – who may or not pay their taxes. But those working in the industry know the picture is much more muddled than that.

Some things are normal in construction that would not be seen as normal elsewhere. Construction workers change jobs, of course, but they may also change employers. Then again, sometimes they change jobs, but stop being employees. One day an employed worker, the next a sub-contractor.

But what *kind* of sub-contractor? Construction has always run on sub-contracting. But over recent years an old sore has reappeared. What was once notorious as ‘the lump’ has come back as bogus self-employment.

This bogus self-employment is a threat to all construction workers. It undermines pay and conditions. It undermines workers’ rights and security. It gives the whip hand to the most unscrupulous employers. It undermines union organisation and negotiating power. It takes all the risks that are common in the industry and off-loads them on to the shoulders of the workers. It also smears the many real self-employed in construction.

WHAT’S DIFFERENT ABOUT CONSTRUCTION?

Most workers, you know, in their career, they would have 7 or 8 jobs. Building workers would have that in a year.
*Union official**

So, how do we tell

the real thing from the fraud?

Real self-employment

The TEEU is strongly opposed to all forms of bogus self-employment. But the union has no quarrel at all with the genuine self-employed, many of whom are union members. Self-employment in construction includes small businesses with a few employees. It also includes independent craft workers who may employ others sometimes. Such craft workers may specialise in small build and maintenance work. They may also be sub-contractors on larger sites. In fact, they may be all of these things at one time or another – and employed workers too, when times are rough.

Such people work on their own account – they really are their ‘own boss’. The law recognises this. The Revenue includes these points in its guide on self-employment. Someone is self-employed *if, among other things he or she:*

Has control over what is done, how it is done, when and where it is done and whether he or she does it personally. Is free to hire other people, on his or her terms, to do the work which has been agreed to be undertaken¹.

Labour lawyers call this the *independence test*. So shouldn't it be simple to tell the real thing from the fraud?

Well, no.

Lawyers, Revenue officials, officials of the Welfare Office and the Workplace Relations Commission have attempted trying to pin down a workable definition from their own points of view. The Revenue Commissioners lists 19 factors to help say if someone is employed – and another 19 for the self-employed!

For the TEEU the question

is more straightforward.

Bogus self-employment

Bogus self-employment can be found mostly in the use of labour-only subcontracting. Labour-only subcontracting can be legitimate. Think of a software consultant, for example.

But a worker, with only the normal tools of the trade, who doesn't hire or manage other workers, and who works where, when and how their boss tells them, should always be counted as an *employee*.

But, workers like this *can be* engaged as a subcontractor. Then they can be treated as *self-employed* for purposes of workers' rights, tax and PSRI.

Worse, they can be treated as labour-only subcontractors, or as sole traders – in effect as companies in their own right.

Workers like these can be taken on or laid off with no notice. They can be laid off for bad weather or materials shortages. They are not covered by the National Minimum Wage (important for the low skilled), or by National Collective Employment Agreements. They have no rights to holidays or holiday pay, occupational pension schemes or other normal benefits of employment.

This is true too of so-called 'posted workers' – those working in Ireland but *employed in another state*, from the North, or Romania for example. Under EU law these can be paid according to rates *in their home country*, undermining national rates. A German study has shown this has had widespread effects in the EU as low wage countries have seen construction as an 'export opportunity'.²

WORKING FOR A SUBBIE

In the past you would get the hourly rate ... If it rained, the builder would keep you there ... they would get work out of you. I mean if you are working for a subbie, you have 6 men there, a machine breaks down at 10 o'clock – 'You have to go home lads, there's nothing for you today'.

*A Bricklayer**

At the same time, they have no control of costs, materials or work methods. They cannot make a profit from being responsible for their own efficiency. They do not make any *true profit* in fact. They get an agreed payment based on attendance and performance managed by a boss – just like employed workers.

***So, all the risks of self-employment-
but none of the benefits.***

How it looks in construction

The construction industry may have been tailor made for such abuses. Construction has always run on sub-contracting. But the industry has been changing, and so has the way sub-contracting works.

Self-employment in the Irish construction industry has been growing, but the type of self-employment has also been changing. Official figures count the self-employed as those *with* paid employees – and those *without*. Self-employment peaked at about 38% of all construction employment around 2010, but the use of the self-employed *with no paid employees* as a proportion of all self-employed grew rapidly in the slump – to about 75%.

Just look at the top line in the chart!

The vast majority in both cases are manual – mostly craft – workers.

At the same time the '*sub-contracting chain*' has been growing longer. Large building firms are turning into project management companies that rarely carry employees from job to job. Now the company holding the



Based on QNHS Detailed Employment Series / ESQ04 / accessed September 2016

main contract – the one with its name on the hoardings – may not employ *anybody* directly. The main sub-contractor, likewise, sub-contracts more and more.

This can work in several ways. There are sub-contractors who specialise in supplying unskilled labour. In much the same way, many unskilled workers are supplied by Agency companies. At the same time sub-contractors looking for craftsmen try to cut costs by using labour only sub-contracting. Again, craftsmen working as labour only sub-contractors with no employees may hire in other craft workers or labourers if they are getting behind on the job.

All this leads to a sort of competition, but competition based on *exploitation* and not on *efficiency*.

THE PRICE OF GROWING SUB-CONTRACTING

THE PRICE OF GROWING SUB-CONTRACTING

They price a job, say, for instance, a 2 million job, on the basis that the job should have been priced at 2.5 million.

And they've won that call on the basis that they are burning all the subcontractors down the way, for the 500 grand. And that's how they make it up.

*Union official**

Not just an Irish problem

These problems are not just a result of the ‘tiger boom’ and later bust in construction in Ireland.

Ireland follows the UK in some ways, and the ‘lump’ and bogus self-employment are well entrenched there. This year, a House of Commons Briefing Paper notes that:

*concerns about intermediary companies ... disguising the nature of the contract for workers they place with employers, and, in some cases, sharing most if not all of the financial benefits with the employer, with little benefit for the individual worker.*³

In 2008 a study commissioned by the construction union UCATT estimated that more than 30% of the self-employed were bogus.

A study by the ILO (International Labour Organisation) documents the degree of casual and bogus self-employment in developing countries. ***But it also traces the growth of sub-contracting in Europe and the USA.***⁴

A similar report on bogus self-employment in the industry in 11 European countries shows a growth of self-employment arising in a large degree from deregulation and labour migration. In Germany 50% of construction jobs are estimated to be in the ‘black economy’. In Holland, 10% of construction workers may be bogus self-employed. A similar story is told for Spain, France and the UK. *In Ireland, ten years ago, over 17% of the self-employed were estimated as bogus.*⁵

Why is this happening?

For the last thirty years or so powerful forces have been reshaping employment. The big economic crisis in the early 1980s started it off. The crash of 2008 has driven it on. Employers in search of profit have used the weakness of trade unions and labour and socialist parties to unpick the gains that workers made in the long boom of the post-war years.

The effects have been uneven of course. There are many good jobs where workers are secure and well represented and have an effective voice. But there are growing areas where work is not like that anymore. And it's not just in construction.

There has always been casual work. There has always been seasonal work. The bad side of these jobs came to be controlled (more or less) by trade union organisation and the law. But these protections are weaker than they were, and too many employers are ready to take advantage. And governments and political parties have largely helped them to do so.

YOU COULD MAKE A LIST

- Outsourcing.
- Temporary contracts.
- Zero-hours contracts.
- Globalisation bringing foot-loose multinational companies,
- Off-shoring of services, and
- Exploited migrant labour.

Both here and in Europe employers, governments and most political parties have signed up to the idea that *free markets* produce the most

prosperous economies. This means that governments should encourage this through public policy and privatisation (which is where the water bills come from). These policies are often described as *neo-liberalism*, and are also the basis of what we have come to call *austerity*.

Neo-liberal policies also mean that employers should be able to resist 'interference' from trade unions. The 'Troika' of the EU, the European Central Bank and the IMF made 'reform' of employment regulation part of the price for the 'bail out' of Ireland (*or the banks*) during the recession. Employers have piled on pressure by wrecking attacks on Registered Employment Agreements and Employment Regulation Orders.

For too many workers work has become precarious – insecure, irregular, and lacking basic protections. In a report on employment practices in Ireland today *An Tasc* calls this '*enforced flexibility*', and they track it in the hospitality, construction, finance and IT industries.⁶

It is hardly surprising that construction fits so well into these developments.

There is a formula at work.

Weaker unions + less regulation +

irresponsible employers =

disposable & exploited workers.

Workers lose: themselves, their union and their class

The victims of bogus self-employment are the workers in the industry – whatever their employment status. And the effects are wider than those felt by individuals.

INDIVIDUAL WORKERS ARE THE VICTIMS OF THIS PROCESS

Bogus self-employment undermines directly employed workers *and* the legitimate self-employed.

With very extended subcontracting chains employers can pay different rates on the same sites for the same jobs. One worker explained it like this:

One fella could be on 12 euro per hour and the other on 16 euro. So that keeps everybody quiet. Divide and conquer as they say. Nobody will open their mouth if they are on different money.⁷

By the use of subcontracting and agencies employers can make negotiated terms and conditions impossible to enforce. This effects the pay of *all* construction workers.

It also undermines the *future* of the industry and its craft employment by starving it of apprenticeships and other training. Employers prefer to poach or import skilled labour to training themselves. Extended subcontracting and bogus self-employment lets employers disguise their own contribution to damaging the industry by hiding behind supposed ‘competition’.

WORKERS' UNIONS ARE VICTIMS OF THIS PROCESS

Workers don't just loose out as individuals. Bogus self-employment undermines trade union membership and bargaining in the industry. In the long term that puts workers at the mercy of employers.

Union membership in an industry is usually measured by something called *density*. This means the percentage of workers that *could be* in the union that *are in* the union. *An Tasc* tells us that in construction '*density has declined from 25% in 2008 to 18% in 2015; amongst craft workers the decline has been from 26.4% to 17.8%⁸*. Density measures are not affected by the huge decline of employment after the crash: with a much smaller workforce the industry is showing the effects of bogus self-employment.

WHEN THE STATE LOSES OUT ON REVENUE THE WORKING CLASS IS THE VICTIM

When unions lose out the working class as a whole loses out. Bogus self-employment leads to widespread avoidance of tax and PSRI payments. These taxes and charges due to the State pay for our schools, hospitals and welfare protections. *Governments* may worry about loss of revenue. The TEEU worries about the *impact on public service provision*.

WELFARE FOR THE BOSSES

Sources in the industry ... report that many ... workers on Dublin construction sites are brought in ... from Northern Ireland and are able to pay low wages because these workers are also receiving unemployment benefits in Northern Ireland.

Equally, it is claimed that the *Back to Work Scheme* now functions as a wage subsidy – several ... stated that they could only afford to work at the going rates because of the Scheme. *

Principal Contractors and self-employed workers' taxation is regulated through the RCT1 system. According to answers given in the Dail in 2015:

'there are 34,000 subcontractors in the construction sector that are active in the RCT1 system ... [about] 81% (of these are) operating as sole traders or self-employed.'

The ICTU concludes that these figures indicate a huge volume of bogus self-employment. It is unbelievable that there are 27,600 'sole traders' operating in the industry. The loss to the State in PSRI payments alone – including the loss of *employers'* contributions – could be as high as 80 million a year.⁹

***That's €80 million not going into solving
the housing crisis,
or building hospitals or schools.***

Everyone acknowledges that making these PSRI estimates is difficult, but the problem with tax is much bigger. *An Tasc* says that tax losses arising from bogus self-employment are very hard to quantify, but add that 'The RCT on-line system also leads to losses of tax income *and appears to facilitate actual evasion*'.¹⁰ The ICTU has also criticised the apparent unwillingness of the state to tackle the tax problem, and have proposed some important measures to tackle this.¹¹

Are the bogus self-employed to blame?

Ireland used to pride itself as the 'land of saints and scholars'- now it seems to be the 'land of entrepreneurs and start-ups'.

So is the TEEU barking up the wrong tree? Is the growth in self-employment simply the *choices* made by increasingly entrepreneurial bricklayers, plasterers and electricians?

No, it is not.

The scandal of bogus self-employment is the way employers force workers down this road.

This happens in two main ways. The first is the use of simple economic power. If workers want work they will only get it on the employers' terms, so finding direct employment gets harder and harder.

The second way is management manipulation. Under the present system workers can be taken on and designated as self-employed *without even being told by the employer.*

The *An Tasc* report tells this story about a craft-trained bricklayer re-entering the industry after the crash:

'Sean did his bricklaying apprenticeship after leaving school in Dublin. His father was a bricklayer and Sean always intended to follow him into the trade. After his apprenticeship he worked almost continuously until 2008.

A UK CONTRACT

You are to be considered self-employed and therefore not governed by or entitled to any standard Terms and Conditions of Service. You will not be entitled to paid leave of absence for the reasons of sickness, injury, holiday or for any other reason...

Hours worked should be such that will enable you to provide the services to the satisfaction of the company ***

In the crisis he had various odd jobs, and then was taken on by a large company. After working for two weeks he was told that the money paid into his account was not his wages but the fee to be shared with several other bricklayers. This led to a dispute and a lockout.

Sean is now working again on the RCT. He used to love bricklaying but now 'it's a nightmare' and the trade has been destroyed. He is studying part-time to start another career'.¹²

Workers can – and do – challenge their employment status, insisting that they are *really employees*, not self-employed. Workers can do this by asking the 'Scope' Section of the Department of Social Protection to declare their status as employed rather than self-employed, or by collective action.

The blame for bogus self-employment lies principally with the employers. Not all the employers, not all of the time, not in every respect. But principally with the employers.

***The rise in bogus self-employment
is not a result of worker 'choice'.
It is the result of bad
employment practice and slack regulation.***

The damage done

Before we look at solutions to these problems we should sum up the damage done by bogus self-employment.

■ **Bosses win – well, some of them!**

Bogus self-employment is cost driven. Employers shift the costs and risks of employment downstream. Workers themselves are the principal victims. But the dominant firms exploit the smaller firms too. So big firms chew on small firms – and small firms chew on workers.

■ **An industry in fragments**

The growth of bogus self-employment mirrors the growth in the sub-contracting chain. As the industry fragments it can become less, not more efficient. It loses the incentives for investment and training. It learns to despise the workers that make it work.

■ **Pay & conditions**

Bogus self-employment does not enrich workers. It robs them. It robs the legitimate self-employed, it robs the directly employed, and it robs the bogus self-employed too. It puts downward pressure on rates and undermines agreements.

■ **Workers' rights**

A whole range of workers legal and social rights are undermined by bogus self-employment. The bogus self-employed lose the legal protections available to employed workers: in engagement, discipline and dismissal and others. They effectively lose the right to a voice and representation at work.

■ When the State loses the workers lose

There is some doubt about the *extent* to which bogus self-employment costs the state in lost tax and PSRI revenue. But there is *no doubt* that the State *does lose*. These losses are born by the people in general, and workers in particular, through lost opportunities to support public services.

■ Welfare for the bosses

By shifting the responsibility for PSRI payments, and by encouraging bogus self-employment (with all its welfare implications) the State ends up *subsidising* poor pay and conditions – a kind of ‘welfare support payment’ for the employers.

What is to be done?

Bogus self-employment is a curse. It causes harm in many ways. Its abuses must be fought – and the TEEU is determined to fight them.

The union will fight them on many fronts. It will *organise* workers to resist the impact and spread of bogus self-employment. It will *campaign* for public recognition of the problem. It will address the *political* and legal issues that need to be changed.

Most of all, the TEEU will propose a progressive programme, a *‘Workers’ Charter’*, for the industry.

GETTING ORGANISED

The TEEU believes that all construction workers – whatever their contract status – benefit from high levels of trade union membership and organisation. The merger with the members of UCATT in the Republic will strengthen our influence, and support our cooperation with other unions in the industry.

The union will also work with our sister unions in other countries. We recognise the part played by regulation at the European level. We recognise the challenges arising from the exploitation of migrant and ‘posted’ workers. We welcome the initiative of the Building and Wood Worker s’ International expressed in its 2010 report on fighting precarious work in the building and timber industries.¹³

Any TEEU member or worker who believes they are on a Bogus Self Employment contract, or is aware of this practice in their job or on their site should in the first instance contact their Branch, Regional Office or use the Confidential Construction help line to report the details.

TEEU confidential Construction Helpline 01 871 9903

THE PUBLIC AND POLITICAL CAMPAIGNS

The TEEU has, and will continue to expose in public the damage done by bogus self-employment. Further, we will campaign in the Government and in the Dail over a range of legal and administrative changes to bring bogus self-employment under control. This includes action to reform and to enforce the tax and PSRI systems for the self-employed – to benefit the *genuine* self-employed and to *protect* the victims of bogus self-employment.

CONTROLLING THE BAD GUYS – ENCOURAGING THE GOOD GUYS

But changes and enforcement of tax rules is only a part of the action needed. Employers who abuse self-employment must face sanctions. The state, whether through national or local government, is the end financier of many construction and infrastructure projects.

The rules governing direct investment, so-called public private partnerships, and procurement and tendering rules are *political* decisions. In recent years the *neo-liberal* drift in public policy values supposedly ‘free’ markets over purposeful government action.

Instead, the State should act as the promoter of good employment practice. A Code of Practice in publicly financed works should be introduced which would mandate direct employment except in the case of independent contractors and the genuinely self-employed. No company should be able to bid for, or participate in any construction project financed, or partially financed by public funds, unless they:

- 1 Register as *bona fide* independent contractors with the state
- 2 Make a declaration, in respect of each contract, of compliance with a Code of Practice on direct employment and employment protection
- 3 Undertake to recognise appropriate trade unions for collective bargaining purposes

- 4 Undertake to respect the terms and conditions arising from National Collective Employment Agreements with trade unions, or those arising from Registered Employment Agreements and SEOs
- 5 Undertake to facilitate inspection by the relevant state agency or investigation by a recognised trade union in respect of these undertakings.

Companies breaching these undertakings, or otherwise found to be in breach of the individual or collective rights of workers shall be subject to suspension from the register (and thus be barred from undertaking any work for the state).

*The costs of ending
bogus self-employment
should be borne by the principal
beneficiaries of the practice
– the employers.*

A workers' charter:

REAL JOBS, REAL RIGHTS IN AN INDUSTRY SERVING ALL THE PEOPLE

The TEEU recognises that employment reform in construction is closely linked to the development of a modern, healthy and progressive industry.

The TEEU will work among its members, in cooperation with other unions, and with other interested civil society bodies and political parties to develop and campaign for a *Workers' Charter for Construction*.

THE CHARTER WILL BE BASED ON THE FOLLOWING PROPOSITIONS:

1. An efficient and well-regulated construction industry is a corner stone of sustainable economic development in Ireland

2. That the needs of society for housing and infrastructure have not been, and never will be met by untrammelled markets and wholly private ownership

3. That the economic interests of the country are inseparable from the interests of workers to secure, properly paid, safe employment with trade union recognition and bargaining rights

4. That the state will support the re-establishment of an effective mechanism for collective bargaining in the industry with legally enforceable agreements applicable to all workers irrespective of employer or contract status

5. That the needs of society and the industry are best served by direct and responsible employment, and such provision is best fitted to support the interests of the genuinely self-employed and small businesses in the industry

6. Accordingly, the state will develop, initially in major centres such as Dublin, Direct Building Operations as publically owned companies empowered to compete for both public and private contracts

7. That the industry *as a whole* must be accounted responsible for its own sustainable development in cooperation with the public authorities and the trade unions through the provision and finance of apprentice and other training

8. The TEEU are calling for the creation of legislation to make the promotion and / or use of workers who are subject to Bogus Self Employment contracts a criminal offence which may involve being struck from the Directors Register, fines based on the loss of PAYE/PRSI revenue to the state for each worker, and / or imprisonment.

Appendix - Bogus Self-Employment:

HOW THE TEEU EXPLAINS IT TO MEMBERS:

Joe is a qualified Plumber who worked directly with Big Time Plumbing Ltd for 10 years. Joe was recently made redundant and received his redundancy payment of 2 weeks per year (capped at 600) plus a bonus week. Out of work for over a month Joe starts to feel a little desperate and when he receives a call from his old boss he jumps at the chance to get back to work.

However Big Time Plumbing Ltd. has offered him work as long as he becomes "Self-employed". Joe has never run a business before and doesn't know what to do. His boss tells him all he needs to do is turn up for work as he did before and they'll sort the rest out from there.

When Joe turns up for work he re-joins his old colleagues and takes the instructions as he did before. He fits pipe with his colleagues, he welds alongside his colleagues, takes the same tea breaks as his colleagues and in fact it's just like old times. When pay day comes around Joe is asked to submit an invoice (just like his time sheet) and then he is paid. Only now he is paid different to his colleagues who are still directly employed. He has no pay slip outlining the payments made for basic hours, overtime rates, travel time, pension and the deductions for tax and PRSI contributions.

JOE RECEIVES A FLAT RATE AMOUNT

Unhappy with his lot he confronts Big Time Plumbing Ltd. and he is told that he can take it or leave it. Joe trundles on with the work until one day out of the blue he is told by Big Time Plumbing that "we no longer need your services" and "you are finished on site with immediate effect".

JOE GETS NO NOTICE AND NO REDUNDANCY PAYMENT

Unemployed again, Joe goes to sign on only to realise that he may not be entitled to Job Seekers allowance because he was not making PRSI contributions and neither were Big Time Plumbing Ltd. Sometime later Joe receives a letter from Revenue explaining that as he was “self-employed” he has a shortfall in his tax contributions which he is now liable.

Joe asks himself the following questions:

Was I ever any different from my colleagues who were directly employed? **Answer: NO**

Why are my entitlements less than my colleagues who were directly employed? **Answer: They shouldn't be**

If my boss told me when to start work, when to finish work, what work to do, when to take breaks and how much I was going to receive, then was I not really a direct employee? **Answer; YES**

Because Joe was employed through an arrangement which was entirely bogus he may think he's getting near the going rate when in fact this is only because he may be paying less tax initially but **overall he lost out on his entitlements.**

SO HOW DO WE TACKLE BOGUS SELF-EMPLOYMENT AND RECRUITMENT AGENCIES?

TEEU are coming after those Contractors who use these methods to undermine our agreements and if you have been unfortunate enough to get sucked into one of these jobs or you decided to take a job so that you can tackle the problem then you need to contact the Union today.

The first step is to contact the **confidential hotline on 01 8719 903**
Contact the Union today and let's protect our industry and our future.

For more information NOW go to www.teeu.ie and search for Ezine

NOTES

- 1 Code of Practice for Determining Employment or Self-Employment Status of Individuals, available at <http://www.revenue.ie/en/practitioner/codes-practice.html>
- 2 Bosch, G & C. Weinkopf (2013) 'Transnational Labour Markets & National Wage Setting Systems in the EU' *Industrial Relations Journal*, 44
- 3 Antony Seely House of Commons Library, Number 000196, 23 May 2016, Self-employment in the construction industry
- 4 ILO (2001) Geneva: The construction industry in the twentyfirst century: Its image, employment prospects and skill requirements
- 5 Prof. dr. Y. Jorens Self-employment and bogus self-employment in the European construction industry: A comparative study of 11 Member States
- 6 James Wickham and Alicja Bobek (2016) Enforced Flexibility? Working in Ireland Today An TASC
- 7 James Wickham and Alicja Bobek (2016): *Bogus Self-Employment in the Irish Construction Industry*, An TASC
- 8 Wickham and Bobek (2016): *Bogus Self-Employment*
- 9 ICTU False Economy The Growth of 'Bogus Self-Employment' in the Construction Industry, 2015
- 10 Wickham and Bobek (2016): *Bogus Self-Employment*
- 11 The ICTU Submission to the Department of Finance & Department of Social Protection (Bogus Self-Employment) 2016
- 12 Wickham and Bobek (2016) Enforced Flexibility?
- 13 The Building & Woodworkers International: Fight precarious jobs in the construction and wood industries in Europe <http://www.bwint.org/pdfs/BWI%20Brochure%20on%20precarious%20employment-web.pdf>

Technical, Engineering and Electrical Union

www.TEEU.ie Lo call 1890 488338



TEEU HEAD OFFICE

Tel: 01 874 7047 **Fax:** 01 874 7048

Website: www.TEEU.ie

6 Gardiner Row, Dublin 1

Email: info@teeu.ie or
membership@teeu.ie (membership issues)

*For information or representation simply contact any of the following,
quoting your membership number:*

TEEU REGION 1 – Dublin / North East

Tel: 01 874 7047 **Fax:** 01 874 7048

6 Gardiner Row, Dublin 1

Email: region1@teeu.ie

TEEU REGION 2 – Dublin / South East

Tel: 01 874 7047 **Fax:** 01 874 7048

6 Gardiner Row, Dublin 1

Email: region2@teeu.ie

TEEU REGION 3 – South / East

Tel: 051 857 030 **Fax:** 051 857 036

83 Lower Yellow Road, Waterford

Email: waterford@teeu.ie

TEEU REGION 4 – South / West

Tel: 021 4806000/1 **Fax:** 021 480 6005

IMPACT Building, Father Matthew Quay, Cork

Email: cork@teeu.ie

TEEU REGION 5 – Mid. West

Tel: 061 316 810 **Fax:** 061 412 434

IMPACT Building, 30-36 Roxboro Rd, Limerick

Email: limerick@teeu.ie

TEEU REGION 6 – North / West

Tel: 091 533 606 **Fax:** 091 533 607

Forster Court, Galway

Email: galway@teeu.ie

TEEU ESB National Office

Tel: 01 874 7047 **Fax:** 01 874 7048

6 Gardiner Row, Dublin 1

Email: esbmembers@teeu.ie

TEEU National Construction Office

Tel: 01 871 9903 **Fax:** 01 874 7048

6 Gardiner Row, Dublin 1

Email: Construction@teeu.ie

Or any of our 28 Branches Nationwide, located in:

Athlone

Carlow

Cork

Drogheda

Dublin

Dundalk

Galway

Kildare

Kilkenny

Kerry

Limerick

Northwest

Portlaoise

Tipperary

Waterford

Wexford

Wicklow

ESB Branches

For Branch information, see our website www.TEEU.ie

TEEU – Organising Workers for a Better Future



BOGUS SELF-EMPLOYMENT

AFFECTS EVERY WORKER



**THE
CONFIDENTIAL
HOTLINE**

01-8719 903

**If you or someone you know is the victim of
Bogus Self-Employment please call the Union today.**