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| **Exploring Labour law in the UK: The Agency Worker Directive**AbstractThe employment rights of temporary agency workers have received significant attention throughout Europe. Debate amongst EU member states culminated in December 2008 with the agreement to adopt the Agency Workers Directive. News of the agreement, and the UK’s resulting adoption of the Agency Workers Directive in October 2011, has met with a mixed response at various levels of the UK economy. The aim of the current study was to establish the impact of the Agency Workers Directive by conducting statistical analysis of the Labour Force Survey between 2009 and 2014. IntroductionThe Labour Force Survey is an ideal instrument to examine issues within the economy especially in temporary workers although they are not particularly well represented in the survey (Biggs, 2003). However, the primary objective of the research was to incorporate a longitudinal element in the approach of data collection. This was achieved by collecting LFS datasets between 2009 and 2014. Perhaps one of the most significant concerns resulting from the decision to adopt the Agency Workers Directive into UK employment law was an overall reduction in the use of services provided by temporary employment agencies. Critics of the legislation feared that the cost increases associated with longer-term agency worker usage could encourage employers to look elsewhere for answers to fulfilling the staffing demands of their companies. However, findings did not indicate the reduction in agency worker utilisation or increase in sub-three month tenures. Potential explanations include the influence of economic uncertainty and the continued benefits of organisational flexibility. Significant wage increases for agency workers with post-three month tenures suggest that such avoidance of the regulation is not occurring according to the Labour Force Survey. Indeed, Agency Workers themselves seemed to directly benefit from the legislation with those with tenure of more than twelve weeks showing a 59-69% increase in wages from 2009 compared with 2014 (See Table A).Figure One: Temporary workers as a percentage of all workers (LFS data)Table A: LFS data comparing pre and post-AWD weekly wage of agency workersThe adoption of the Agency Workers Directive was regarded as a potentially significant event that could have far reaching consequences for the industry. The current study highlights the ongoing debate surrounding the adoption of this controversial piece of legislation, yet notes that concerns have been frequently voiced in the absence of research. The methodology and timing of the current study has enabled us to address many of the issues raised. Perhaps most significantly, no clear reduction in agency worker usage was observed. The current research also paints a broadly positive picture for agency workers, as Labour Force Survey data highlights a significant increase in the weekly wages of these workers once they have exceeded the twelve-week qualifying period.  |

### References

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