

# *Research frontiers in Economic Sociology and Labour Studies (ResFron ESLS)*

Seminar

## *Fraudulent forms of contracting work in EU labor market*

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Room A, h. 13.00-14.30

Graduate School in Social and Political Sciences  
via Pace 10 - Milan



The seminar intends to define the phenomenon of fraudulent forms of contracting work, to understand the causes of its increasing diffusion throughout the EU labor market and to assess the types and the effectiveness of legal tools and sanctions that fight it. This phenomenon must be distinguished from the more widely investigated “undeclared” work. Fraudulent contracting work occurs when a declared and (formally) lawful employment or self-employment contract disguises a different contractual relationship in order to (intentionally) circumvent regulation that favours employees or trade unions and which would have been applied to the “real” relationship. The boundaries between the lawful and the fraudulent use of a specific employment/contractual relationship are often blurred and open to disputation, therefore making law enforcement more difficult. In the EU labor market such fraudulent forms of contracting work are likely to be utilised largely in order to a) abuse the status of self-employment through bogus practices, b) manipulate the regime applied to the posting of workers from a Member State to another Member State, and c) reapply temporary and precarious employment contracts. Normally employers utilise fraudulent work to increase, unfairly, the company’s competitive edge - by reducing labour costs (wages and social contributions, health and safety obligations, taxes) and by increasing work and organisational flexibility. Such practices run the risk of promoting social dumping, exploitation and unfair competition, and thus of harming all law-abiding companies. At the moment, the EU’s capacity to detect and to fight this phenomenon is low: there is no regulation at the EU level that qualifies and sanctions these practises and its means of intervention are very poor; each national juridical and judicial framework provides different tools, each with disparate degrees of effectiveness and enforceability.

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