

Social badge

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Construction site Badges*

* This work was carried out using questionnaires sent to the partners concerned by the system; in some cases, the questionnaires were complemented by consulting available legal data.

The construction sector presents several characteristics which justify thinking about and adopting specific measures to respond to the issues identified. Construction sites are sometimes very large and involve the simultaneous presence of a large number of companies, their employees and self-employed over a long period of time. This type of situation makes it more difficult to supervise employment and labour conditions.

Depending on their degree of responsibility for irregularities observed at the construction site, clients may have a direct interest in implementing a way to supervise the individuals present on the site. In this way, they can prevent the complexity of subcontractor chains from giving rise to opaque situations which lead to irregularities for which they will be held responsible.

The construction sector is an area where occupational accidents are frequent. The co-activity of companies on a site requires coordination and specific measures as concerns health and safety at work. These measures should aim at guaranteeing that everyone present on the site benefits from minimum training and that as concerns accidents, the client or the main contractor will be able to ensure their safety.

Among the partners involved in the project, three have presented their experience with construction site badges: the Finnish public authorities, the participants at the Flamanville (France) construction site (EPR mission head, coordinating head, ASN labour inspector and trade union representative) and the social partners of construction in Belgium. The way they use badges is very different, with Finland presenting the most highly developed system, since it has been applied throughout the country since 2006.

1. Using badges to achieve different goals

In **Finland**, mandatory badge-wearing for all individuals present at a construction site is part of the legal regulations concerning health and safety at work (2006 legislation). These regulations are pieces of a puzzle aiming to **combat the “gray economy”**; the overall system is composed of OSH legislation (badge, registration of personnel present on the site) and fiscal legislation (Finnish identity

code for foreign workers, tax number, registration of tax numbers, obligation of the head contractor to supply monthly data to the tax administration).

Badge-wearing allows the contracting owner/the client, the main contractor and employers involved in construction to identify all individuals and companies participating in the construction site. All three groups are responsible for complying with this requirement, and employers are responsible with respect to their employees. In practice, the main contractor ensures that each individual wears a badge. Since the tax number was included on the badge in 2012, it is now possible to check whether individuals at the construction site are in order from a tax viewpoint: either they are taxed in Finland or they are taxed in their home country, depending on fiscal agreements drawn up between the two member countries. However, in all cases, the tax number enables checking the situation of everyone on the construction site and contributes to facilitating exchanges between tax administrations, in particular when they need to follow the situation of expatriates working in a foreign country.

The entire system is scheduled to be computerized and will thus supply considerable information to the tax authorities (presence of companies and individuals on the construction site, type of contracts drawn up, price of services, control of tax obligations for individuals and corporate bodies).

In **Belgium**, the badge-wearing project being discussed between social partners and the construction industry aims to combat undeclared work and enable the identification of employers and employees present at the site. It is up to employers to ensure that employees wear their badge. Eventually, the badge will also be used to check on health and safety training for employees.

To complete these arrangements, we should point out that the new recording system introduced by the law dated December 27, 2012, aims to identify the presence of individuals on the construction site and to collect their data (identity of individuals present, quality and proof of their identity). This data feeds a database managed “*by the authority which collects specific data in view of checking and using these data.*” Data which has been collected is made available to social inspectors and social security institutions which can “*exchange data among themselves within the framework of the missions they have been assigned by law.*” Social inspectors can, on their own initiative or when requested, communicate this data to foreign inspection services. A royal decree will specify whether this data may be accessed by others (the main contractor for the construction site, public administration for a public contract, the employer for employees, workers for their services and others for their services). The two systems are thus complementary, although the latter has a broader field of application because it is imposed by law. The former is part of a collective bargaining agreement with a field of application limited to the companies which are covered by the agreement.

Badge-wearing arrangements thus exclude self-employed and foreign companies which are not under the collective bargaining agreement and which post workers on the site, although these companies are required to comply with certain stipulations.

On the Flamanville site in **France**, badge-wearing targets several goals: check and identify individuals entering the site and present on the site, identify the type of individual (employer, salaried worker,

self-employed – wherever they are located in the subcontracting chain) and note medical fitness and training on safety, since the badge is delivered only after a safety training course.

Conclusion

Shared points: Badge-wearing and the recording system aim to identify all individuals present on a construction site in order to combat fraud and properly manage safety conditions.

2. Who needs a badge?

In **Finland**, wearing a badge is mandatory at construction sites where at least two companies or self-employed are involved simultaneously or for the duration of the work. All individuals present on the site must wear a badge identifying them. The individual's status (employed or self-employed) and length of stay on the site are not required; the only exceptions concern individuals who deliver consumer goods to the building sites for private individuals.

In **Belgium**, badge-wearing is currently a project being developed by social partners in the construction industry. It should become part of a collective bargaining agreement, which could acquire regulatory status if the government so decides. Mandatory badge-wearing concerns only employers and salaried workers covered by the collective bargaining agreement.

In parallel, the law dated December 27, 2012, provides for an "*obligation to record electronically the presence of individuals on temporary or mobile construction sites which involve simultaneous or successive work by at least two companies and which concern constructions with a total surface area of 1,000 square meters or more.*"

Although this law does not require mandatory badge-wearing, it aims at goals which are partly identical. Employers, entrepreneurs or subcontractors carrying out activities during the execution of construction, workers and assimilated individuals who carry out activities for employers, self-employed workers acting as entrepreneurs or subcontractors and the main contractor in charge of execution must record their presence on the constructionsite using an electronic presence-recording system or any other automatic recording method offering equivalent guarantees.

In **France**, wearing a badge is not mandatory on construction worksites. The EPR Flamanville site uses badges because of the special instructions applying to nuclear installations.

Conclusion

These three examples indicate a great diversity of conditions for implementing badge-wearing: a national regulatory context (Finland and Belgium for the recording system), a local and sectoral context (France) and a national, negotiated context (Belgium for the badge). Continuous wearing of a badge by all individuals present on a construction site allows anyone to directly verify the

individuals present, and each company is responsible for complying with this requirement at the company level (Finland). The recording system controls construction site arrivals and departures but is not able to check the nature of the individuals present on the site (Belgium). When applied only to companies bound by a collective bargaining agreement, badge-wearing has limited usefulness.

3. Badge contents and use of data

In **Finland**, the card resembles an ID card with mandatory information: photo, person's name, current employer (the one paying the worker), whether salaried or a self-employed, and tax number from the Finnish public tax register. Useful complementary data may be included in the chip.

Badge data are not used as such and do not feed the register except for the tax number, which is recorded in the tax administration database.

[http://www.vero.fi/enUS/Individuals/Individual_Tax_Numbers/The_public_register_of_Tax_Numbers\(21096\)](http://www.vero.fi/enUS/Individuals/Individual_Tax_Numbers/The_public_register_of_Tax_Numbers(21096))

However, the main contractor is required to know all individuals working at the site, and employers are required to provide him with this data. Starting on July 1, 2014 (reform of the OSH law), the head contractor will be required to provide labour inspectors with an updated list of all individuals working at the site and to give complementary information to the tax administration.

Henkilö = person's name

Veronumero = tax number and date of effect

Yritys = company and company registration number

Voimassa = card validity period



In **Belgium**, the badge includes the photo and name of bearer, the employer's identity and the year of validity. Identical data is found in the chip, along with health and safety training.

The recording system targets individuals: "*All individuals who are present on a temporary or mobile construction site are required to record their presence on the site immediately and daily.*" The data

collected by the mandatory recording system concern the identification of an individual, the nature of the individual's work, employer identification if necessary, identification of the client for whom a self-employed worker supplies service, location of the construction site and time of recording.

At the Flamanville site, obtaining a badge requires supplying last name, first name, nationality, birth date, address and employee identification number, as well as the individual's profession, qualification, work period dates and date of medical aptitude validity.

The company ensuring security at the site takes a photo and prepares the badge. Information concerning the salaried worker's company aims to identify the company, its exact place in the subcontracting chain and its contractual partners (market number and address of main companies and subcontractors). The badge indicates the individual's last and first names and includes his photo, the name of the company he belongs to and a badge number enabling electronic identification when entering and exiting the site. A colour code indicates if access is normal or priority, including outside working hours. Security information is on the back (numbers to call in case of accident).

The badge is valid for a one-year maximum.

For individuals who are not involved with the site, access is possible only with the previous consent of the prefecture, including for EU citizens.

For posted employees, the information to be supplied is found on the posting declaration sent to the nuclear safety authorities.

Conclusion

Data to be supplied in exchange for a badge are more or less exhaustive. The data collected feeds a database managed by the client (Flamanville) or by public authorities (Belgium for the recording system). In Finland, the goal is to contribute to the transparency of labour relations on the construction site, and the data does not go into a database. A database already exists, and it is managed by the tax administration. It is included in badge contents. The new requirements for clients could change this situation and result in their being required to manage a database.

4. Implementation of badge-wearing and responsibility

In **Finland**, information related to badge-wearing is managed within the context of calls for tender and contracts drawn up between companies, since they are jointly responsible with respect to this obligation. Employees are then informed by their employer, and everyone in the construction sector is aware of this requirement.

In practice, the badge is handed out either by the main contractor or by the employer.

Non-compliance with badge-wearing violates health and safety regulations (6-20 days of fining).

Badge-wearing is the responsibility of the main contractor who heads the construction site. Employers

are also responsible for their employees. The client can also be held responsible if he has not imposed this obligation in the contract with the main contractor.

In **Belgium**, the employer is responsible for badge-wearing. Data is collected by the Construction Fund for Socio-Economic Security (a joint sectorial fund) from social security databases and the Fund delivers the badge.

With respect to the mandatory recording system, the Federal Public Service Employment, Labour and Social Dialogue office is responsible for processing the data.

The implementation of a recording system is the responsibility of the main contractor, who makes the recording system available to the entrepreneurs who use it. Each entrepreneur is required to use the system and is responsible to the companies he calls on; he must make the recording system available to them. These obligations are repeated at each level of the subcontracting chain.

In addition, each company is responsible for data transmitted and for the effectiveness of transmission toward the database. If a company calls on a subcontractor, it takes the necessary steps to ensure that the subcontractor records all data effectively and correctly and sends them to the database.

Responsibility is thus present at each subcontracting level and can be summarised as follows: "*All entrepreneurs and subcontractors must ensure that each individual has been recorded in his own name before entering the temporary or mobile construction site.*"

In **France** at the Flamanville site, each employer designates the individuals who require a badge. The contracting owner delivers these badges after ensuring that the procedure for attributing badges has been followed and that the necessary justification has been presented (certain categories of personnel are subject to previous approval by the prefecture). Badges are strictly personal and must be worn at all times; they may be checked by the security company. Each passage through the entrance and exit gates is recorded electronically.

Conclusion

The badge is delivered either exclusively by the client (Flamanville), who checks the conditions to be met, by the client or the employing company (Finland) or by a joint body (Belgium, for the badge). The Belgian recording systems requires each company present, at whatever level, to make a recording system available and to ensure the exactness of transmitted data.

The effectiveness of these different systems was not evaluated in this study.