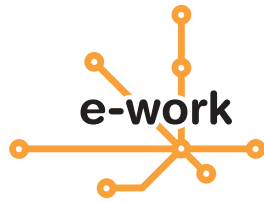




report of the e-work action forum 2002





©Government of Ireland 2003

Baile Átha Cliath: Arna Fhoilsiú ag oifig an tSoláthair

Le ceannach díreach ón Óifig Dhíolta Foilseachán Rialtais, Teach Sun Alliance, Sráid Theach Laighean, Baile Átha Cliath 2.

nó teid bpost ó Foilseachán Rialtais, an Rannóg Post-Tráchtá, 51 Faiche Stiopháin, Baile Átha Cliath 2.

(Teil: 01-6476834/5; Fax: 01-6476834)

nó trí aon díoltóir leabhar

Dublin: Published by the Stationery Office

To be purchased directly from the Government Publications Sale Office, Sun Alliance House, Molesworth Street, Dublin 2.

or by mail order from Government Publications, Postal Trade Section, 51 St. Stephens Green, Dublin 2.

(Tel: 01-6476834/5; Fax: 01-6476834)

or through any bookseller.

Price €6.50

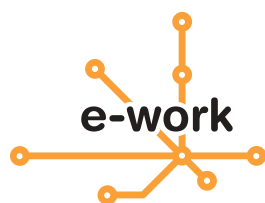
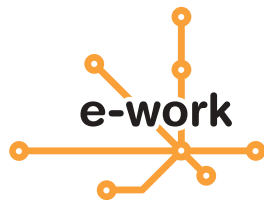


TABLE OF CONTENTS

• Foreword by the Minister for Trade and Commerce	1
• Introduction	2
1 Summary of Actions of the e-Work Action Forum	3
2 Work of the Forum during 2002	8
3 Other achievements by the e-Work Action Forum since its inception in November 1999	15
4 e-Work Europe	20
Appendix 1 Membership of the e-Work Action Forum	23
Appendix 2 Main Recommendations in the Report of the National Advisory Council on Teleworking	24
Appendix 3 Contact Details	26
Appendix 4 Useful References	27
Appendix 5 e-Working and Tax	28



FOREWORD BY THE MINISTER FOR TRADE AND COMMERCE

This Report details the progress made by the e-Work Action Forum during 2002 and also reflects on the significant achievements of the Forum since its inauguration in November 1999.

During 2002 the Forum prioritised two major initiatives for completion. These related to:

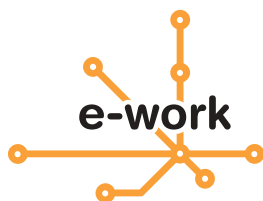


- Continuation of the eWork Business Awareness Campaign, an initiative of the Forum, undertaken by Enterprise Ireland. The campaign focussed on business decision makers and aimed to increase awareness of the competitive advantages e-working can offer their firms. The main actions undertaken related to a national radio advertising campaign and a specialist press advertising campaign.
- Building on the foundation work carried out in 2001, the Forum, jointly with FÁS, the industrial training and development authority, completed the development and launch of an on-line e-work training course. The course is certified by the Further Education and Training Awards Council (FETAC) and is available at www.fas-netcollege.com. The course deals with the competencies necessary to support successful e-work arrangements.

I wish to acknowledge the foresight of my colleague, Mr. Noel Treacy, T.D., the then Minister for Science, Technology and Commerce, for establishing the e-Work Action Forum in November 1999. Over the years the Forum has provided a focal point for the ongoing development of e-working. It has substantially delivered on the recommendations in the Report of the National Advisory Council on Teleworking and has acted as a catalyst for advancing the e-work agenda.

The achievements of the Forum would not have been possible without the expert guidance and chairmanship of its Chairman Mr. William Burgess, and the dedication and professionalism of his colleagues who served on the Forum during its lifetime. I would like to express my thanks to them all, for the time and dedication that they devoted to the Forum, which has substantially contributed to increasing the awareness and benefits of e-working.

Michael Ahern,
Minister for Trade and Commerce



INTRODUCTION

A little over three years ago, I was asked by the then Minister for Science, Technology and Commerce, Mr. Noel Treacy T.D., to chair the e-Work Action Forum. I was pleased to accept his invitation, as I recognised the potential that e-working, through increased use of information and communications technologies, could offer business in Ireland.

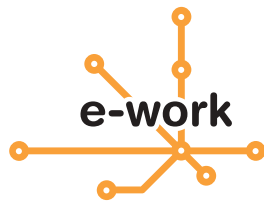


Since its inception the Forum has worked to create an environment which would lead to the development of e-working as a means of contributing to economic growth, while simultaneously improving quality of life. I am pleased that, through the work of the Forum, many of the issues identified in the Report of the National Advisory Council on Teleworking, as essential to achieving these objectives, have been addressed.

This third Report of the Forum sets out the activities in which the Forum engaged, since its inaugural meeting in November 1999 through to the end of 2003, which I believe have contributed to fostering the “mainstreaming” of e-working.

I would like to thank my colleagues on the Forum for their support and commitment during the lifetime of the Forum. It was through their efforts and expertise that the very considerable achievements of the Forum were possible. I would like also to acknowledge the invaluable contribution and support provided by Enterprise Ireland and the Department of Enterprise, Trade and Employment in helping with the work of the Forum and helping to promote the e-work agenda.

William Burgess
Chairman e-Work Action Forum



CHAPTER ONE

SUMMARY OF ACTIONS OF THE e-WORK ACTION FORUM

WHAT IS e-WORKING

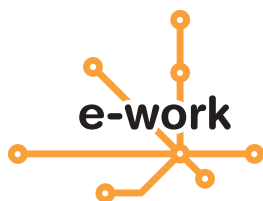
The use of advanced information communications technologies (ICTs) has become the most significant driver of world economic growth. They are the catalysts through which enterprises, whether traditional or new, can create sustained competitive advantage for their products and services on world markets. ICTs are also then catalysts through which enterprises can create quality and sustainable employment. They are the basis for the development of a sustainable e-business strategy. While e-work, which has been defined as "*a way of working using information and communications technologies in which work is carried out independent of location.*"¹, is a logical component of an e-business strategy, it can also be a business solution in its own right.

Ways of e-working include:

- e-worker – full/part-time at home
- e-commuter – part at home and part in office
- Mobile – on the move
- Self-employed e-worker

The wide variety of e-working brings benefits to both the employer and employee. Employers can benefit from a more productive, more flexible workforce, while employees can avail of a more balanced home/work lifestyle. An MRBI study carried out in 2002 as an initiative of Enterprise Ireland's e-Work Business Awareness Campaign, which focused on business decision makers, identified staff convenience and flexibility as the prime reason for introducing e-working into businesses surveyed.

¹ "New Ways of Living and Working in Ireland", Report of the National Advisory Council on Teleworking (1999).



e-WORK ACTION FORUM

The e-Work Action Forum (membership details are shown in Appendix 1) was established in November 1999 in response to the recommendations of the National Advisory Council on Teleworking (NACT) which the then Minister for Science, Technology and Commerce, Mr. Noel Treacy, T.D., established in April 1998, to advise him on the development of teleworking employment opportunities in Ireland and to recommend attainable actions, to contribute to the realisation of those opportunities.

The Council presented its Report "New Ways of Living and Working in Ireland, Teleworking in Ireland", to the Minister on 10 June, 1999. The Report contained a number of main recommendations, together with a Code of Practice.

These recommendations, which are set out in detail in Appendix 2, included a recommendation to establish a Telework Action Forum.

The purpose of the Forum was:

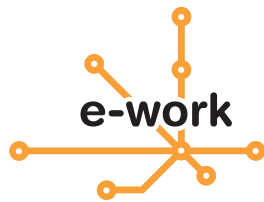
"To provide a focal point for the ongoing development of an environment, which will stimulate telework employment opportunities and ensure that this method of working achieves its full potential in contributing to economic growth and an improved quality of life"

The Forum was also the mechanism to monitor and progress the implementation of the recommendations in the NACT Report.

Since its inception, the Forum pursued the implementation of the recommendations of the NACT, in line with the priorities it had set for itself. Actions undertaken related to:

- e-Work Business Awareness Campaign
- Code of Practice on e-Working
- Pursuit of e-work options in Government Departments
- Fiscal Environment
- Training
- Statistics

A summary of activities undertaken is given in the following paragraphs and more detailed information is provided in Chapters 2, 3 and 4.



e-Work Business Awareness Campaign

Combating a lack of awareness of the benefits of e-working was identified as a crucial area for action in the NACT Report. For this reason, the e-Work Business Awareness Campaign was established by Enterprise Ireland and launched by the then Minister in April 2000 as an initiative of the *e-Work Action Forum*. The Campaign was focused on business decision makers and aimed to increase awareness of the competitive advantages e-working can offer to their firms.

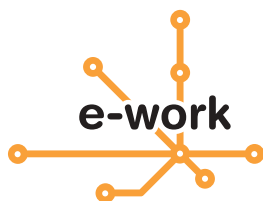
Code of Practice

An integral part of the NACT Report was a Code of Practice on Teleworking which the Council recommended be endorsed and adopted by the Social Partners. In fulfilment of a commitment in the Programme for Prosperity and Fairness, the Code of Practice was endorsed by the Government, IBEC and ICTU and was launched in May, 2000. The Code of Practice is designed to inform those who have an interest in e-working on a wide range of issues from the inception of the idea to the implications of e-working for the self-employed, employers and employees. It aims to encourage best practice in companies engaged in e-working arrangements for the benefit of employers and employees. The Code of Practice won a major European e-work award in 2000 in the category “Best Framework Agreement”

e-Working Options in Government Departments

The NACT recommended that all Government Departments should be required to introduce e-working options into their mainstream working and additionally, that all publicly funded organisations should formulate an e-working policy for implementation in 2002. This recommendation was included as a commitment in the Programme for Prosperity and Fairness. Formal pilot projects have now been initiated in some Government Departments and Agencies.

Developments for further progressing e-working options in Government Departments are underway. Under arrangements established under the Civil Service Conciliation and Arbitration Scheme, the Department of Finance and the staff unions are discussing policy guidelines for Departments which will encourage the introduction of e-working and set out the main administrative and managerial arrangements that must be addressed in introducing formal e-working options.



Fiscal Environment

The Report of the NACT recommended, “that Ireland becomes “telework friendly” from a fiscal and environmental point of view”. As part of this process the e-Work Action Forum commissioned a consultants report which investigated the fiscal barriers to e-work and considered how the tax system could assist towards a greater penetration of e-work. Based on this report, the Forum engaged in consultations and negotiations with the Revenue Commissioners. As a result, the Revenue Commissioners issued a leaflet "e-Working and Tax" (IT69), which favourably clarifies certain aspects of the tax Code in relation to employees engaged in e-work arrangements. Areas addressed in the leaflet include Benefit in Kind, Home Expenses, Other Expenses and Capital Gains Tax.

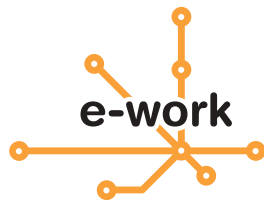
The leaflet "E-Working and Taxation" (Ref IT69) is reproduced in full at Appendix 5. It can also be downloaded from www.revenue.ie.

Training

The NACT made a number of recommendations in relation to Information Communications Technology training to facilitate the adoption of e-working. A training course on the competencies necessary to support successful e-work arrangements was successfully developed and completed by FÁS, in conjunction with the Forum, in 2002. The course is accredited by the Further Education and Training Awards Council (FETAC) and is available on-line, through the FÁS Net College www.fas-netcollege.com.

Statistics

The lack of national statistics on e-work in Ireland had made it very difficult to monitor, in any comprehensive fashion, the uptake and incidence of e-work. For this reason, the e-Work Action Forum engaged with the Central Statistics Office (CSO) to try to resolve this problem. Following consultation, the CSO included questions on e-working in the Quarterly National Household Survey in Autumn 2002. The results of the survey were published in February 2003 and are available on the CSO web site <http://www.cso.ie/publications/labour/qnhsteleworking.pdf>. The CSO has also agreed to add some questions on e-working to a Eurostat module on ICT issues which will be undertaken in the third quarter of 2003.



Planning

The question of the planning status of a home office has been raised with the Department of the Environment and Local Government. While that Department has not yet issued formal guidelines on the subject, it has clarified for planning purposes, that there are distinctively different categories of teleworker:

- (i) *Teleworking/telecommuting from home (either part-time or full-time where all that is involved is a computer terminal).*

In relation to teleworking it would be difficult to argue that there is any material change of use involved here and accordingly it would not be an issue from a planning point of view.

- (ii) *Home as an office with staff and dedicated space for use.*

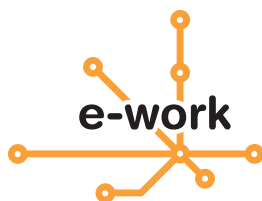
This is quite a different concept and would involve a material change in use and would consequently come within the scope of the planning code.

Review of activities of the Forum

As can be seen from the above, the Forum has achieved very considerable progress in furthering the e-work agenda. It has raised awareness of the potential for e-work through remedying information gaps and has addressed other factors such as the lack of certainty with regard to taxation issues, and lack of specific training which previously impacted negatively on the operating environment for e-work.

In October 2002, having reviewed the achievements of the Forum, the Minister for Trade and Commerce considered that with completion of the Awareness Campaign and the successful launch of the on-line training course, that the Forum had substantially fulfilled the mandate given to it by the National Advisory Council on Teleworking, and should not continue beyond the end of the year.

Full details on the above activities are set out in Chapters 2, 3 and 4.



CHAPTER TWO

WORK OF THE FORUM DURING 2002

The Forum met on 5 occasions during 2002. During the year the Forum continued in its efforts to progress the recommendations of the NACT, in line with the priorities which the Forum had set itself for 2002. These were:

- the continuation of the e-Work Business Awareness Campaign, an initiative of the Forum, undertaken by Enterprise Ireland
- the development of an on-line training course, which FÁS, the national training and employment authority, developed in co-operation with the Forum

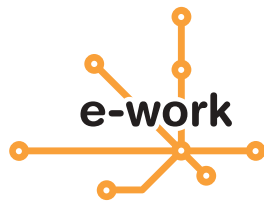
Details of the activities undertaken in these priority areas are set out in this chapter.

Continuation of the e-Work Business Awareness Campaign (eWBAC)

The Campaign had its origins in the Report of the NACT, which recommended the establishment of an Awareness Campaign. Combating lack of awareness of the benefits of e-working was identified as a crucial area for action in the Report. The Campaign was established by Enterprise Ireland in May, 2000 as an initiative of the Forum. The Campaign was focused on business decision makers and aimed to increase awareness of the competitive advantages e-working can offer to their firms. Funding for the Campaign in 2002 was provided from the Department of Enterprise, Trade and Employment's budget.

The Campaign in 2002, focused on the following actions:

- A radio advertising campaign broadcast in September 2002 for two weeks.
- A specialist press advertising campaign conducted during September and October 2002.
- Publication of a Sunday newspaper supplement on e-working during November 2002.
- Update and maintenance of the e-Work website www.ework.ie
- Benchmark survey conducted in October 2002 on e-Work to assess the impact of the awareness campaign.
- Continuation of the provision of an 1850 telephone helpdesk to which enquiries are addressed.
- Dissemination of the e-Work Code of Practice, the Guide and other e-Work literature.



BRANDING AND PROMOTION

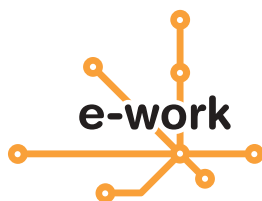
Successful branding and promotion are key ingredients in any awareness campaign. The first year of the campaign, 2000, saw the development of the e-Work brand. The e-Work logo and strapline “Give Your Business The Edge” is oriented towards business. The logo is used to brand the printed guides, the website and other promotional materials. The continuation of the Campaign in 2002 built on the experience gained from the previous years, with the objective of creating greater awareness among human resource managers and senior management about the competitive advantages which e-working can offer to their firms.

During 2002, the campaign focussed on a major media advertising promotion, utilising radio, newspaper and specialised magazines.

A new 30-second radio commercial was produced which focussed on the benefits of e-working to employers and HR managers. The advertisement was broadcast alongside prime time spots and during key commuting times on national, local and independent radio stations in a two-week period during the second half of September 2002. The message included the 1850 helpline number and e-work website address as key contact points.

A specialist press campaign was conducted during September/October 2002, which targeted human resource management and Small and Medium Enterprises (SMEs). A full-colour two-page Question & Answer (Q&A) style advertisement appeared in the following specialist magazines during September & October 2002: HRD Ireland (IITD), People Focus (CIPD), Running Your Business (SFA), IRN News (Industrial Relations News), Smart Company and Technology Ireland.

To enhance the media campaign, Enterprise Ireland commissioned an 8-page broadsheet supplement on e-Working which accompanied the 10 November 2002 issue of the Sunday Business Post. Interviews were conducted with Enterprise Ireland and members of the e-Work Action Forum to generate news items on the activities of the e-Work Action Forum, the e-Work Code of Practice, EU Framework Agreement, the newly developed FAS Net College e-Work training course, health & safety issues, the Family Friendly Government initiative as well as successful case studies. Additional copies of the supplement are available from Enterprise Ireland, Glasnevin, Dublin 9.



Both the radio and the press campaign generated substantial interest and enquiries - from individuals looking for e-Work opportunities, product and service providers, business consultants, journalists and advertisers and with a higher percentage coming from employers than the previous year. Enquiries were received by telephone to the 1850 number and by e-mail to info@ework.ie.

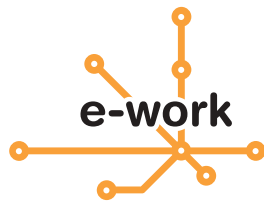
WEB ADVERTISING

To coincide with the radio and press campaign, the Q&A advertisement “Does e-Work work” was published on the e-Work website both in HTML and PDF format. Visitors to the site are prompted to read the advertisement by clicking on the ‘mousebox’ graphic on the homepage. The HTML version contains links to further information on the website and elsewhere. The Q&A page was the top entry page to the website during the period September/October 2002 whilst the magazine advertisement was being run.

PUBLICATIONS

Two publications, *e-Work Guide to Company Use* and *e-Working in Ireland - Code of Practice* were mailed with a covering letter to the managing director and human resource manager of Enterprise Ireland client companies (circulation 3,500) in April 2002. e-Work literature was made available through the e-Work Action Forum display stand at the ICT e-Work conference in Kilkenny in November 2002 at which over 100 people participated.

In addition, the *e-Work Guide to Company Use* is published in full as part of a new CD-ROM entitled “*Practical eBusiness – Competitive Advantage Through IT and eBusiness*”. The Guide is published both in a searchable HTML version and in PDF format. The CD-ROM was created by the eBusiness Unit of Enterprise Ireland. It was produced in conjunction with a new book based on the experiences of the eBusiness Acceleration Funded companies. Both CD-ROM and book were launched in December 2002 and were distributed to selected Enterprise Ireland client companies and other key contacts,



The e-work information pack is available in hardcopy by contacting the Enterprise Ireland e-Work helpline at 1850 57 2000 or by emailing info@ework.ie. The information pack contains:

- e-Work in Ireland Code of Practice
- “What is e-Work” FAQ leaflet
- e-Work Guide to Company Use
- “Does e-Work work” 2-page advertisement leaflet
- “e-Working & Tax IT69” Irish Revenue Commissioners
- European Framework Agreement on Telework

These and other e-Work publications are available on the website www.ework.ie

The electronic newsletters ‘*Growing Your Business*’ (circulation 1,100) and ‘*eBusiness Live*’ (circulation 4,000) published by Enterprise Ireland, aimed chiefly at Enterprise Ireland client companies, carried news items and advertising on e-work during 2002.

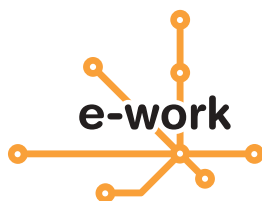
1850 57 2000 HELPLINE

Enterprise Ireland continue to maintain the 1850 57 2000 business helpline which is the telephone number used in e-work advertising and promotion. The service is staffed by professional information staff and handles e-work as well as other business enquiries, and forms part of the wider Client Knowledge Services provided by Enterprise Ireland and is marketed widely.

MRBI NATIONAL SURVEY

In September 2000, Enterprise Ireland established a programme of research to examine the nature of e-working in Ireland. The research was also designed to act as a baseline against which to measure changes in e-Work practices and attitudes over time. The second phase of the survey was conducted during October 2001 while the third phase was undertaken in October 2002. MRBI used the same definition of eWork and questionnaire in all three surveys. Services, manufacturing and retail sectors were represented in the sample using information from an independent database of Irish businesses as well as the Enterprise Ireland client group of companies.

The objectives of the research were to monitor the current proportion of the Irish workforce using e-working; barriers to use/extended use of e-working; profile of workforce using e-working; degree of training of workforce/managers in e-working; company policy/support for e-working; rating of success in implementing e-working.



Key findings from the 2002 survey are as follows:

- Between 2000 and 2002, the proportion of Irish businesses with one or more employees e-working has been maintained at 10%. Although the results of the survey show a decline from the high of 12% recorded in 2001, maintaining the levels recorded in 2000 can be viewed as a positive development, in view of the recent changes in our economy.
- The number of employees in those companies who e-work increased, from 4.5 employees in 2000, to an average of 5 employees in 2002, an increase of approximately 11%. This positive development between 2000 – 2002 is tempered somewhat, compared to the results for 2001, which recorded an average of 6 employees.

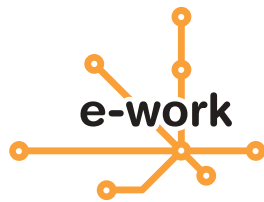
The profile of companies currently using e-Working:

- 67% of e-Working businesses have 11+ employees
- Broad spread of industry sectors with higher than average representation of IT sector
- 54% of e-Working businesses are located in Dublin (7% in rest of Leinster)
- 28% of e-Working businesses are located in Munster
- 11% of e-Working businesses are located in Connaught/Ulster
- 87% are Irish owned

A profile of a typical e-Worker is:

- full-time employee
- Male
- Under 35
- Has a third level qualification
- Works in Sales & Marketing, followed by IT, Finance, General Administration, Secretarial
- e-Works part-time
- e-Works on an informal basis

The results of the 2002 survey were presented by MRBI on behalf of Enterprise Ireland and the e-Work Action Forum at the Telework Ireland/South East Regional Authority/Irish Internet Association ICT e-Work conference held in November 2002 in Kilkenny. Key results were mentioned in the Sunday Business Post supplement on e-Working in November 2002. Full survey results are published at www.ework.ie



WEB SITE [HTTP://WWW.E-WORK.IE/](http://www.e-work.ie/)

The e-Work web site designed by Creative Intermedia in early 2000, is a major initiative of the campaign, as well as an important national information resource and delivery mechanism for actions. During 2002, the e-Work website administrator undertook training which dealt with all aspects of web maintenance including uploading reports, adding new and deleting old content. The training was provided by the web design company. Navigation on the website was made much easier by improvements made to the sitemap. New content added to the website included:

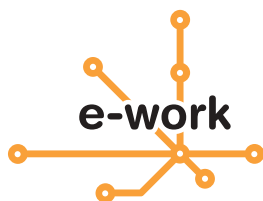
- e-Work Annual Report 2001
- MRBI e-Working in Ireland survey results 2001.
- EU Framework Agreement on Telework.
- e-Work events in Helsinki, Prague, Paris, Kilkenny advertised in news section.
- New companies added to Suppliers & Trainers database.
- 'Mousebox' graphic with link to Q&A advertisement published in HTML & PDF format on the website.

Traffic to the site increased substantially to coincide with the radio and press advertising campaign conducted in the second half of 2002. The top entry pages are the homepage and the Q&A page.

TRAINING

The NACT made a number of recommendations in relation to Information Communications Technology (ICT) training to facilitate the adoption of e-working.

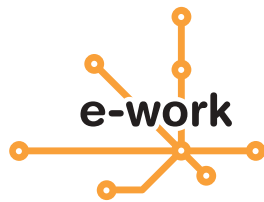
FÁS, the national training and employment authority, operate a wide range of training courses which facilitate the use of ICTs. Its clients irrespective of the course undertaken, complete a Computer Appreciation Module, which includes an introduction to computers and various software packages. In total, over one hundred Specific Skills Training (SST) courses in IT, certified by FÁS and City and Guilds are available, including Computer Based Training (CBT) facilities and evening courses through its Training Centre Network. The CBT courses cover the full range of IT skill levels from the European Computer Driving License (ECDL) to Advanced Computer Programming. FÁS also delivers IT education and training courses over the internet through the FÁS Net College.



The Forum considered that a special e-work training course would greatly facilitate an increased uptake in e-working options. Consequently, during 2002, the Forum worked with FÁS to develop a suitable training course, on the competencies necessary to support successful e-work arrangements. The objective was to develop a nationally recognised and accredited course in e-working which could be delivered and supported using the internet. The course was launched at the end of 2002. It is aimed at those employees who are currently e-working, those who wish to e-work and their managers. The course covers issues such as communications, technical issues, work space, regulatory background and self management for the e-employee. A separate module, for managers only, deals with managing e-work. The course is delivered on-line at <http://www.fas-netcollege.com>. It has recognised accreditation by the Further Education and Training Awards Council (FETAC).

ANNUAL REPORT 2001

May 2002 saw the publication of the second Annual Report of the Forum, which detailed the main developments during 2001. The Report, in electronic format only, is available without charge on the Department of Enterprise, Trade and Employment website at www.entemp.ie/e-work.htm.



CHAPTER THREE

OTHER ACHIEVEMENTS BY THE e-WORK ACTION FORUM SINCE ITS INCEPTION IN NOVEMBER 1999

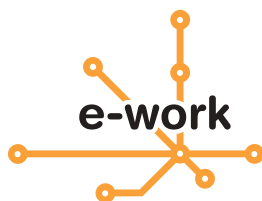
FORMATION OF A GOVERNMENT e-WORKING POLICY

e-WORKING OPTIONS IN GOVERNMENT DEPARTMENTS

The NACT recommended that all Government Departments should be required to introduce e-working options into their mainstream working and additionally, that all publicly funded organisations should formulate an e-working policy for implementation in 2002. This recommendation has been included as a commitment in the Programme for Prosperity and Fairness.

Pilot projects were initiated in a number of Government Departments and Agencies, including the Offices of the Houses of the Oireachtas and the Health and Safety Authority. In addition, the Department of Enterprise, Trade and Employment is currently undertaking a pilot project which involves staff across the spectrum of grades from clerical to senior management. A decision on the introduction of a formal e-working policy in that Department will be made following a formal review of the pilot programme.

Developments for further progressing e-working options in Government Departments is underway. Under arrangements established under the Civil Service Conciliation and Arbitration Scheme, the Department of Finance and the staff unions are discussing policy guidelines for Departments which will encourage the introduction of e-working and set out the main administrative and managerial arrangements that must be addressed in introducing formal e-working options. The guidelines will also stress that, while e-working should be introduced to improve working conditions for staff and to promote e-working in line with Government policy, the efficient operation of Departments must also be secured. A draft set of guidelines has been prepared for discussion between staff unions and management.



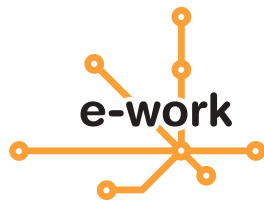
FISCAL ENVIRONMENT

The Report of the NACT recommended, “that Ireland becomes “telework friendly” from a fiscal and environmental point of view”. There were a number of uncertainties in relation to the tax treatment of e-workers stemming from the fact that much of the Irish taxation legislation was drawn up in an era before e-working was contemplated. For this reason a commitment was included in the Programme for Prosperity and Fairness that a review would be undertaken of the relevant fiscal structures.

As part of this process, the e-Work Action Forum, the Department of Enterprise, Trade and Employment, Enterprise Ireland and the Information Society Commission jointly commissioned an evaluation from KPMG in 2000 on the fiscal barriers to e-work and to consider how the tax system could assist towards a greater penetration of e-work within a short time frame. Their Report, entitled “e-Working in Ireland Fiscal Barriers and Incentives” identified some uncertainties in the taxation system which might act as a barrier to the uptake of e-work. The Report considered that many of these uncertainties could be removed if the Revenue Commissioners were to issue a clarifying Statement of Practice.

Following consultations and negotiations, the Revenue Commissioners agreed to issue a leaflet "eWorking and Tax" (IT69), which favourably clarifies certain aspects of the tax code in relation to employees engaged in e-work arrangements. The issue of this leaflet removes an impediment to the development of e-working as there is now certainty that Revenue will not, for example, subject employer-provided computers and other equipment provided for e-working to benefit-in-kind where the employee enjoys incidental personal use of these items.

The leaflet "eWorking and Tax" (Ref IT69) is reproduced in full at Appendix 5.



CODE OF PRACTICE

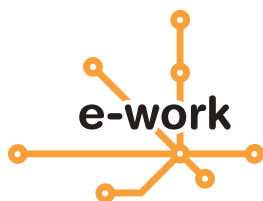
An integral part of the Report of the National Advisory Council on Teleworking was a Code of Practice on Teleworking which the Council recommended be endorsed and adopted by the Social Partners. In fulfilment of a commitment in the Programme for Prosperity and Fairness, the Code of Practice was endorsed by the Government, IBEC and ICTU and launched on 10 May 2000 as “The Code of Practice on e-Working in Ireland”

The Code of Practice is designed to inform those who have an interest in e-working on a wide range of issues from the inception of the idea to the implications of e-working for the self-employed, employers and employees. The code aims to encourage best practice in companies engaged in e-working arrangements for the benefit of employers and employees.

The Code provides pertinent information and will be of great assistance in identifying and clarifying key issues that need to be addressed in introducing an e-working policy in firms and organisations, e.g. identification of jobs suitable for e-working and e-worker identification, practical consideration such as home office, method of communications, reporting arrangements, health and safety. The Code also provides a useful overview of the legislation affecting employees’ rights and employers obligations. The position of self-employed e-workers is also considered. A sample e-working agreement is included, which can be tailored to suit individual circumstances.

The Code of Practice has been widely disseminated as part of the e-Work Business Awareness Campaign. The Code of Practice can be accessed on the website of the Department of Enterprise, Trade and Employment at www.entemp.ie/ework.

In November 2000, the Code of Practice won a major European e-work award. The awards, which are organised by the European Commission as part of e-work week, are given annually to organisations for best practice in the introduction, promotion and development of new working practices in the Information society. The Code of Practice, which was submitted by the e-Work Action Forum, won in the category “Best Framework Agreement”. The international recognition of the merits of the Code of Practice should assist in its promotion.



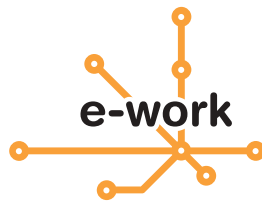
TELECOMMUNICATIONS

The National Advisory Council on Teleworking (NACT) recommended that the Irish telecommunications environment facilitates the adoption of teleworking as a mainstream method of working.

By its very nature, e-work depends on the ready availability of modern information and communication technologies and in order to significantly progress the development of the e-business agenda, of which e-work is a part, users require access to competitive, low-cost, fixed-rate, always-on broadband services. These are objectives that the Forum has, since its inception, been endeavoring to advance, as it recognises that their availability is vital to the increased penetration of e-working as a work method.

The Forum, therefore, welcomed the announcement on 14th November 2002 by the Minister for Communications, Marine and Natural Resources of continued Government commitment to rolling out broadband infrastructure. He indicated that up to €32 million will be invested in 2003 for broadband rollout to provide for the completion of private sector projects. Resources have also been allocated to start the incremental rollout of the local authority Metropolitan Area Networks, a scheme designed to bring high speed access to 19 towns around the country.

A further positive development was an announcement on 7th January 2003, by ComReg, the Commission for Communications Regulation, that it has put in place the next steps enabling consumers to have access to flat rate, predictable internet access charges. ComReg has set out a detailed timescale to be met so that operators can order a wholesale Flat Rate Internet Access Call Origination (FRIACO), product by the end of February 2003. This will enable the provision of a retail offering by operators no later than the end of June 2003. From that date, operators, including Eircom, who wish to supply a flat rate internet access offering to the public will be in a position to do so, as the full arrangements including network, processes and costs of availing of the wholesale product, will be in place.



PLANNING

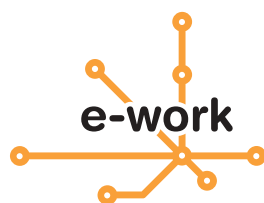
The National Advisory Council recommend that the Department of the Environment and Local Government commences a consultation process with the Local Authorities to establish guidelines on the limits of the use of a home office and the concept of “development” within the planning code. The Department, given its current workload and staffing levels, was unable to commit itself to preparing guidelines for planning authorities at this stage. However, it provided the following clarification in relation to different categories of teleworkers:

- (i) *Teleworking/telecommuting from home (either part-time or full-time where all that is involved is a computer terminal).*

In relation to teleworking it would be difficult to argue that there is any material change of use involved here and accordingly it would not be an issue from a planning point of view.

- (ii) *Home as an office with staff and dedicated space for use.*

This is quite a different concept and would involve a material change of use and would consequently come within the scope of the planning code. To date the only non-residential activities permitted in a dwelling house are medical and related consultants. Many local authorities are, however, moving toward allowing certain types of home-based economic activity within dwelling-houses, e.g. Dublin Corporation. However, there would be a requirement to go through the normal planning process and be subject to third party objections etc.



CHAPTER FOUR

e-WORK EUROPE

STATISTICS

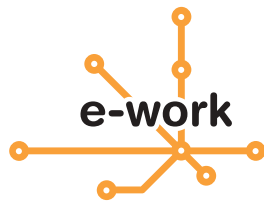
The lack of national statistics on e-work in Ireland makes it very difficult to monitor, in any comprehensive fashion, the uptake and incidence of e-work. Survey results vary widely, as there are different definitions of e-work used. The e-Work Action Forum believes that it is vital to have comprehensive and reliable statistics in order to chart emerging trends.

STILE Project

STILE is a research project funded jointly by Eurostat and the European Commission's Information Society Technologies Programme to investigate statistical indicators of the European labour market in the e-economy. One part of the project's research involves producing and testing indicators on e-working that might be suitable for use in the labour force surveys carried out in all EU member states.

The Central Statistics Office (CSO) and Cork Teleworking Centre are the Irish partners in the STILE project. Following collaboration with the e-Work Action Forum and the STILE researchers, the CSO included some questions on e-working in the Quarterly National Household Survey (QNHS) in Autumn 2002. These questions were adapted and simplified for use within the Irish QNHS structure, from the questions which have been asked each year in the British labour force survey since 1997. The results of the survey are available free of charge on the CSO website: <http://www.cso.ie/publications/labour/qnhsteleworking.pdf>.

The main reason for including e-working questions in labour force surveys is that information on e-working can then be cross-tabulated with many of the other indicators that are collected at the same time, such as the age, gender, employment status and location of e-workers. In addition, the sample used in the labour force surveys is much larger and more reliable than that used in small-scale academic or commercial surveys.



EMERGENCE Project

EMERGENCE is a research project covering the European Union, a number of the accession states, Australia and some Asian countries. The project is funded by the European Commission's Information Society Technologies Programme, and is examining flows of work around the world made possible by information and communication technologies.

The main EMERGENCE research in Europe involved interviewing 7,000 employers about their use of various types of e-work. However, all the companies interviewed were quite large, employing at least 50 people. To investigate whether small companies show a different pattern, EMERGENCE also carried out a survey of small companies in Denmark. As part of the activities of the e-Work Action Forum, a parallel survey of 100 small companies was carried out in Ireland, funded by the Department of Enterprise, Trade and Employment.

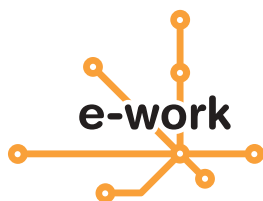
Results of the surveys are available free of charge on <http://www.emergence.nu/pubs/form394.html>

FRAMEWORK AGREEMENT ON TELEWORKING

E-Work has been recognized in the European Union's eEurope Action Plan as having a vital role to play in the achievement of the goal of making the European Union the most competitive and dynamic based economy, capable of sustainable economic growth and with more and better jobs and greater social cohesion.

A Framework Agreement on Telework was signed at European level by ETUC, UNICE/UEAPME and CEEP - the social partners - on 16th July 2002. The Agreement is a landmark initiative, as it is the first European agreement to be implemented by the social partners themselves rather than by European Legislation or Directive.

The agreement defines telework and sets up a general framework at European level for teleworkers' working conditions. It recognises that teleworkers are afforded the general protection granted to workers based on the employer's premises and highlights seven key areas where particular aspects of telework need to be taken into account. The agreement is to be implemented within three years.



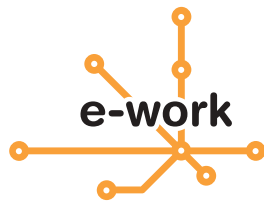
The new Agreement is designed to respond to, and to promote, the shift to the knowledge economy and the knowledge society, as set out at the March 2000 Lisbon European Council. It seeks to manage this transition and to reconcile the needs for flexibility and security which both employees and companies need. The agreement aims to facilitate the further development of telework, in part by acknowledging that telework is a way of organising work according to companies' and workers' needs, rather than as a legal status.

The agreement also marks a significant step forward in the development of an independent dialogue between social partners and is in line with European Commission policy calling for social partners to develop procedures for monitoring social partnership agreements in general, and to prepare regular reports on the implementation of these agreements.

The negotiations on telework between the social partners were opened following an official consultation of the social partners by the European Commission on the modernisation of employment relations.

To date, a number of EU Member States have taken initiatives relating to telework. Ireland in particular, has been progressive in this area and in 1998 launched a 'Code of Practice on e-Working in Ireland'. The Code was used as a document of reference in the negotiations at European level. The Code of Practice, which was endorsed by the social partners in Ireland, won a major European e-Work award in November 2000, in the category "Best Framework Agreement".

Discussions will take place between IBEC and ICTU regarding the implementation of the Framework Agreement in Ireland.



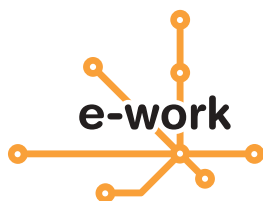
APPENDIX ONE

MEMBERSHIP OF THE E-WORK ACTION FORUM

Mr. William Burgess	Managing Director, IBM Ireland – Chairman
Ms. Imogen Bertin	Manager, Cork Teleworking
Mr. Liam Breslin	Westward Web
Ms. Riona Carroll	Owner and Manager, New Ways of Working
Ms. Katie Connolly	IBEC
Ms. Deirdre Frost	Western Development Commission
Ms. Mary Glennon	Enterprise Ireland
Mr. Chris Hudson	Communications Workers Union (nominated by ICTU)
Ms. Nana Luke	Chairperson, Telework Ireland
Mr. Paul Lyons	Chairperson, Teleservices Forum of Ireland
Mr. Brian McAulfield	Department of the Taoiseach
Mr. Joe McCormack	Managing Director, McCormack Associates
Ms. Margo Monaghan	Department of Enterprise, Trade and Employment
Dr. John O'Flaherty	National Microelectronics Applications Centre
Mr. Kevin Sweeney	Managing Director, Agilent Technologies

* Forum Secretary: Ms. Helen Curley, Department of Enterprise, Trade and Employment

* *Resigned during 2002 (replaced by Mr. Brian Moore, Department of Enterprise, Trade and Employment)*



APPENDIX TWO

MAIN RECOMMENDATIONS IN THE REPORT OF THE NATIONAL ADVISORY COUNCIL ON TELEWORKING

A GOVERNMENT AWARENESS CAMPAIGN

A national media awareness campaign should be initiated by Government promoting teleworking and especially encouraging companies and individuals to work and relocate in rural Ireland using teleworking.

THE FORMATION OF A GOVERNMENT TELEWORKING POLICY

It is vital that Government shows itself to be a leader in the implementation of teleworking. All Departments should be required to introduce teleworking options into their mainstream working. Also, all publicly funded organisations should formulate a Teleworking Policy to be implemented by 2002.

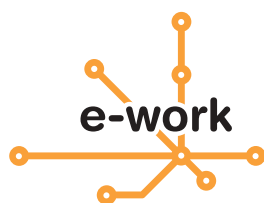
The relevant Minister should take the necessary steps to have the Code of Practice for Teleworking endorsed and adopted by the Social Partners.

THE IMPLEMENTATION OF 'TELEWORK-FRIENDLY' TRAINING AND EDUCATION INITIATIVES

People who lack the basic skills to use information technology will easily become the future 'have-nots'. The necessary steps must be taken to raise the awareness of technology and language skills training programmes now available and to encourage people to avail of them. Further distance-learning schemes could be developed, including language-teaching programmes. Such steps must be taken to produce a workforce that has the technical and language skills to operate in the global multi-cultural and multi-lingual environment.

FORMATION OF A TELEWORKING ACTION FORUM

A Teleworking Forum should be established to initiate, monitor, evaluate and support initiatives related to teleworking.



APPENDIX TWO CONTINUED

THE ESTABLISHMENT OF NEW BUSINESS MODELS

Up to five teleworking initiatives should be selected to demonstrate best practice in the international marketing of tradable skills and services, together with an international promotional campaign to promote Ireland as a source of such services.

ENDORSEMENT AND ADOPTION OF THE CODE OF PRACTICE FOR TELEWORKING

That the relevant Minister takes the necessary steps to have the Code of Practice for Teleworking endorsed and adopted by the Social Partners.

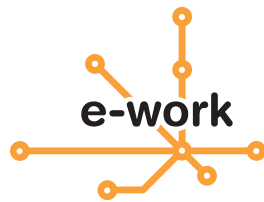
A 'TELEWORK FRIENDLY' IRELAND FROM A FISCAL AND ENVIRONMENTAL POINT OF VIEW

Steps include the creation of a tax environment that supports the growth of E-commerce, encourages teleworking and supports teleworkers. 'Green Taxes' or financial incentives should be provided for enterprises to encourage employees to work from home where an improved environment, employment for disadvantaged groups or increased regional employment can be achieved. Planning regulations should support teleworking at home.

AN IRISH TELECOMMUNICATIONS ENVIRONMENT THAT FACILITATES TELEWORKING

One of the most important aspects of creating an environment that is E-commerce and telework-friendly is the provision of universal low-cost broadband telecommunications access. EU structural funds should be made available to help finance the upgrading of telecommunications links in rural areas.

These recommendations, when implemented, will lay secure foundations for Ireland to benefit from this most exciting of futures in the Information Age.



APPENDIX THREE

CONTACT DETAILS

Communication Workers Union virtual branch (telework advice and support)
Tel: 021 488 7300

Enterprise Ireland Business Awareness Campaign
info@ework.ie

Enterprise Ireland e-work helpline
1850 572000

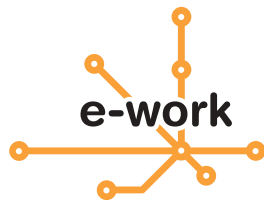
e-Work Action Forum,
Department of Enterprise, Trade and Employment, Kildare Street, Dublin 2.
Tel: 01 631 2226 / 631 2152, Email: ework@entemp.ie

Telework Ireland
(telework advice and support) Freefone 1800 421 426, www.telework.ie

IBEC,
Confederation House, 84-86 Lower Baggot Street, Dublin 2. Email: erinfo@ibec.ie

ICTU,
31/32 Parnell Square, Dublin 1. Email: congress@ictu.ie

New Ways of Working (e-work consultancy training and advice)
Tel: 047 81215, www.www-org.com



APPENDIX FOUR

USEFUL REFERENCES

Living and Working in the Information Society: People First: European Commission Green Paper COM (97) 142, April 1997

Personnel policies and procedures guideline 19: Teleworking/Telecommuting, IBEC, 1998

TeleFutures Report: Imogen Bertin and Gerard O'Neill, 1996

Teleworker: bi-monthly magazine: The Telework Association: <http://www.telework.org.uk>

Report of the National Advisory Council on Teleworking – New Ways of Living and Working, Teleworking in Ireland, 1999, www.entemp.ie/e-work.htm

New Ways of Living and Working, e-Working in Ireland Code of Practice www.entemp.ie/e-work.htm

A New Way to Work Report of the Department of Public Enterprise Teleworking Group, March 2000, www.irlgov.ie/TEC

e-Working in Ireland, Fiscal Barriers and Incentives, October 2000 KPMG, www.ework.ie, www.entemp.ie/e-work.htm

Teleworking Manuals: Telecom Eireann, 1998

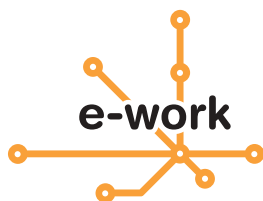
Teleworking/Telecommuting report: IBEC, 1998

The Teleworking Handbook (3rd Edition): Imogen Bertin and Alan Denbigh, TCA, 2000

e-Work 2000 Status Report on New Ways to Work in the Information Society, www.eto.org.uk

Telework Ireland Telework Manuals 2000

ECaTT Survey (emprirca), www.ecatt.com



APPENDIX FIVE - Text of Revenue Commissioners leaflet - eWorking and Tax IT69

e-WORKING AND TAX

THIS LEAFLET DEALS WITH TAX IMPLICATIONS OF e-WORKING EMPLOYEES

e-Working is regarded as a method of working using information and communication technologies in which work is carried out independent of location. Ways of e-Working include:

- Working at home on a full time or part time basis.
- Working some of the time at home and the rest of the time in the office.
- Working while on the move, with infrequent or occasional visits to the office.

e-WORKING INVOLVES:

- Working for substantial periods outside the employer's premises.
- Logging onto the employers computer remotely.
- Sending and receiving email, data or files remotely.
- Developing ideas, products and services remotely.

The number of employees e-Working is increasing and this leaflet addresses some of the more important issues that affect them.

INCOME TAX

Provision of Computer & Ancillary Equipment. An individual's employer may provide computers, ancillary equipment such as printers, scanners, fax machines, etc. and software to enable him or her work at home. Where the provision of such items is primarily for business use, a benefit in kind charge will not be imposed on the employee in respect of incidental private use. The provision of a telephone line for business use will not give rise to a benefit in kind charge.

PROVISION OF OTHER EQUIPMENT

Likewise, the provision of other equipment such as office furniture, etc. by the employer to enable the employee work at home will not attract a benefit in kind charge where the equipment is provided primarily for business use.

HOME EXPENSES

e-Workers will incur certain expenditure in the performance of their duties at home, such as additional heating and electricity costs. Revenue is prepared to allow an employer make payments up to €3.20 per day to employees without deducting PAYE and PRSI. This does not prevent an employee making a specific expenses claim where the actual expenditure is in excess of this amount.

OTHER EXPENSES

The tax treatment of motor expenses and subsistence payments which may be made by an employer without attracting a tax liability is set out in Income Tax leaflets IT51 & IT54. In relation to e-Workers, the determination of the individuals base may cause an element of difficulty. In practice, if the employee works part time in the office and part time at home, the base is the office.

Note: These arrangements only apply to e-Working employees. They do not extend to employees who, in the normal course of employment, bring some work home in the evening, etc.

CAPITAL GAINS TAX

Where an e-Working employee uses any part of his or her home for e-Work purposes, the capital gains tax exemption for Principal Private Residences will not be restricted.

E-WORK ACTION FORUM,
DEPARTMENT OF ENTERPRISE, TRADE AND EMPLOYMENT
KILDARE STREET, DUBLIN 2.

TEL 01 631 2226 / 631 2152,
EMAIL [EWORK@ENTEMP.IE](mailto:ework@entemp.ie)
WEBSITE [WWW.ENTEMP.IE](http://www.entemp.ie)

© GOVERNMENT OF IRELAND 2003

I SBN 0-7557-1562-4



9 780755 715626