

EUCDW Newsletter



European Union of Christian
Democratic Workers

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European Commission presents Labour Mobility Package

European Commissioner for Employment, Social Affairs and Labour Mobility Marianne Thyssen unveiled a proposal for a revision of EU rules on posted workers on 8 March (posted workers are workers who have an employment contract in their home country, but are sent by the employer to work temporarily in another country in the context of a cross-border provision of services).

The aim of this proposal is to facilitate the provision of services across borders within a climate of fair competition and respect for the rights of posted workers. More specifically, the initiative aims at ensuring fair wage conditions and a level playing field between posting and local companies in the host country. It will introduce changes in two key areas: remuneration of posted workers and long-term posting.

First, the proposal foresees that across all economic sectors, the same rules on remuneration should apply for posted workers as for national workers, as laid down by law or by universally applicable collective agreements. Currently, posted workers are only entitled to the same minimum wage as national workers. Often, though, remuneration not only includes the minimum rate of pay, but also other elements such as bonuses or allowances (e.g. allowance for bad weather; mobility allowance; pay supplement for special works; allowance for tools wear ...) or pay increases according to seniority.

Second, for all activities undertaken by a posted worker, the worker will become subject to social security payments in the host Member State if the duration of posting exceeds 24 months, unless conditions in the home Member State are more favourable for the posted worker.

Finally, the Member States have to implement the Enforcement Directive (2014) into national law by June 2016, which includes key elements for better enforcement and control of the rules on posted workers, such as automatic information exchange between Member States and new control tools for labour inspection services in the fight against social fraud and social dumping. *(continued on page 2)*

In the next step, the proposal will be discussed in the Council of the EU and in the European Parliament. As with the 2014 Enforcement Directive, EUCDW is committed to a strong involvement in the discussion and decision in Parliament, together with our partners of the EPP Workers' Group.

For more information on the proposal, contact eucdw@epp.eu.

European
Commission

POSTED WORKERS

in the EU

EU rules set out the right of companies to offer services in another EU Member State and to temporarily post workers to supply those services. These rules include safeguards to protect the social rights of posted workers.



WHAT IS A POSTED WORKER?

A worker is "a posted worker" when he/she has an employment contract in his/her home country, but is sent by the employer to work temporarily in another country in the context of a cross-border provision of services.

An example is if a French company wins a contract in Spain to deliver a service and sends employees there to carry out the contract on a temporary basis.



HOW MANY POSTED WORKERS ARE THERE IN THE EU?

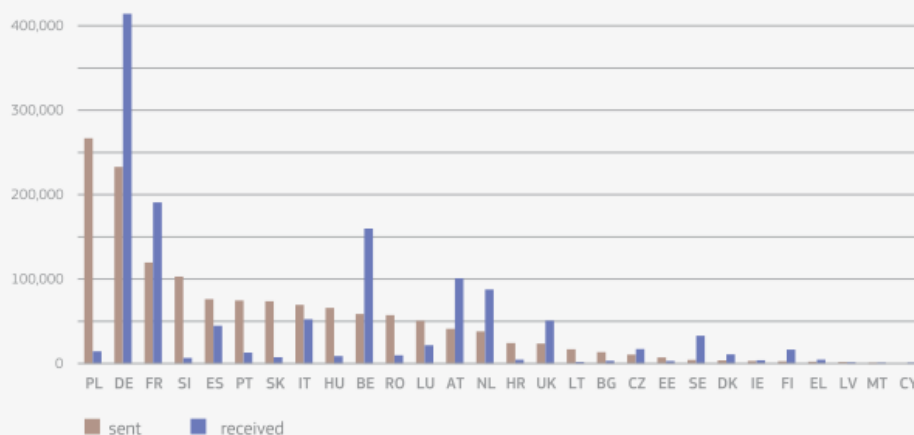
- ▶ In **2014** there were **1.92 million** posted workers in the EU.
- ▶ The number of posted workers has increased by **44.4%** between **2010 and 2014**.
- ▶ The percentage of posted workers in the workforce remains low (on average **0.7%** of total employment).
- ▶ The concentration of posted workers in some sectors is however high. The construction sector for example makes up about **43.7%** of the total posted workers. Such concentration is especially high in Belgium, Luxembourg and Austria.
- ▶ In 14 Member States, at least **40% of the posted workers** come from neighbouring countries; the percentage can be as high as **80%** in some cases.



HOW LONG IS A WORKER POSTED ON AVERAGE IN ANOTHER COUNTRY?

- ▶ The EU average of posted workers delivering a service in another country is less than **4 months**.

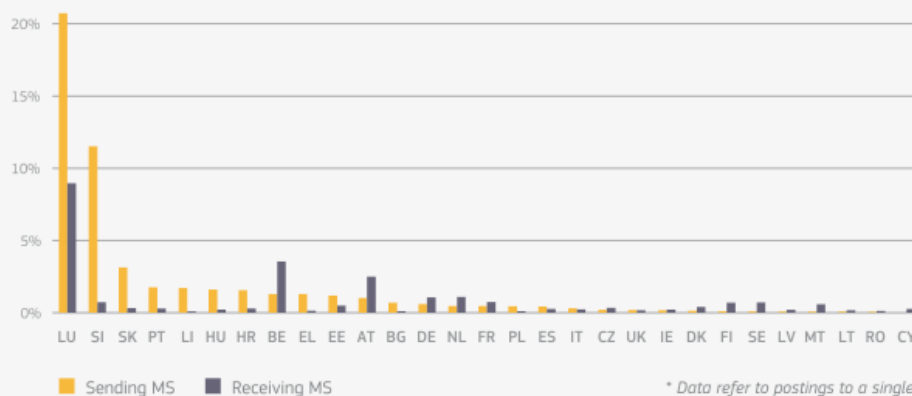
Posted workers sent and received in 2014



The countries sending the highest total number of posted workers: Poland, Germany, France.

The countries receiving the highest total number of posted workers: Germany, France, Belgium.

Share of posted workers in national employment (sending and receiving), 2014



* Data refer to postings to a single member State only

WHAT ARE THE CURRENT RULES AND WHAT IS THE COMMISSION PROPOSING TO CHANGE?

CURRENT SITUATION	UNDER THE NEW RULES
Minimum wage rules apply	Broader set of remuneration rules apply
Temporary, no minimum or maximum limits	If posting is longer than 24 months, posted workers are equated with local workers
Unequal rules for domestic and cross-border temporary work agencies	Equal rules for domestic and cross-border temporary work agencies

WHAT DOES NOT CHANGE?

- ▶ Other rules on working conditions such as health & safety, protection of pregnant women, equality between women and men: rules of **host** country apply
- ▶ Social security: rules of **home** country apply if posting is no longer than 24 months

Policy Update – European Parliament sets out guidelines to combat social dumping in the European Union

In the framework of the European Commission's Labour Mobility Package, the European Parliament is currently drafting a comprehensive report setting out guidelines to tackle unfair competition and unequal treatment of workers', and putting forward its position on the topic.

Together with our colleagues in the European Parliament, we tabled a number of amendments to the report in order to move towards more social convergence in the European Union.

First, we call on the Member States to improve implementation and enforcement of the rules on posted workers', in order to ensure a fair treatment of posted workers and create a level playing field for businesses. This should include, amongst other measures, more effective cross-border cooperation between inspection services and electronic exchange of information and data.

Second, we consider that the current rules on posted workers' should be updated and clarified by the EU, in order to ensure their effective enforcement by national inspection services. This should include, first and foremost, a clear definition of the terms and conditions of employment applicable to posted workers, to ensure equal pay for posted workers with local workers in similar jobs.

Finally, and more generally, we want to stress the need to combat undeclared work, bogus self-employment and all other forms of social fraud leading to an increase in precarious jobs and deteriorating levels of worker protection.

The report is scheduled to be voted in the Employment and Social Affairs Committee in May 2016 and is scheduled to be tabled for the vote in plenary in June. EUCDW will closely monitor the further development of this report, in cooperation with our colleagues in the EPP.

For more information, contact eucdw@epp.eu

Policy Update – EUCDW continues to resist weakening of workers' rights in 'SUP' discussion

The proposal for a single member private limited liability company, or Societas Unius Personae (SUP), has already generated a lot of discussion. Last June, the Commission's proposal to harmonize rules on establishment of single member companies was broadly rejected in the Employment and Social Affairs Committee of the European Parliament, on concerns that it would entail major risks for workers' rights.

On 28 January 2016, the Legal Affairs Committee also debated the proposal, and decided to postpone any further decision indefinitely. We agree that the Council and Parliament took a significant step in the right direction by agreeing that companies would need to register in the Member State where they actually carry out most of their activities, but important concerns remain on the necessary safeguards and controls.

Whereas we are convinced that strengthening the Internal Market is of central importance to boost entrepreneurship and investment through small- and medium-sized enterprises (SME's), which are the backbone of job-creation, this cannot open the door to letterbox companies and unfair competition. Therefore, we cannot accept the proposal in its current form. For EUCDW, competition and social justice must go hand in hand: that is the foundation of the social market economy for which we have always advocated.

EPP Group – Official start of the Workers' Group

On 10 – 12 March 2016, the Workers' Group of the EPP Group in the European Parliament convened in Florence, Italy for the first official meeting in the new legislature. The EPP Workers' Group is an informal group of over 40 Members of the European Parliament of the European People's Party, who represent and promote workers' rights and Christian social policies in the European Parliament, and thereby form strong partners in the European Parliament for our European Union of Christian Democratic Workers.

The two-day seminar, co-hosted by EZA, focussed on four major topics in the field of employment and social policy in the European Union: youth and long-term unemployment; the integration of refugees into the labour market and the new plans by the European Commission for a targeted revision of the posting of workers' directive in order to better ensure equal pay for equal work among European workers.

The two-day meeting kicked-off with the election of the new Bureau of the EPP Workers' Group. For the 2014-2019 legislature, the Group is composed of:

- Chairman David Casa, MEP (Employment Committee in the European Parliament, Malta)
- Acting Chairman Jeroen Lenaers, MEP (Employment Committee in the European Parliament, the Netherlands)
- Bureau members: Othmar Karas, MEP (Internal Market Committee in the European Parliament, Austria); Claude Rolin, MEP (Employment Committee in the European Parliament, Belgium); Anne Sander, MEP (Employment Committee in the European Parliament, France); Agnieszka Kozłowska-Rajewicz (Employment Committee in the European Parliament, Poland).
- Bureau members ex officio: Elmar Brok, MEP (President of EUCDW); Bartho Pronk (President of EZA); Ria Oomen-Ruijten (Former Chairwoman of the EPP Workers' Group)

EUCDW looks forward to a close cooperation with our partners in the European People's Party Group and the European Parliament.



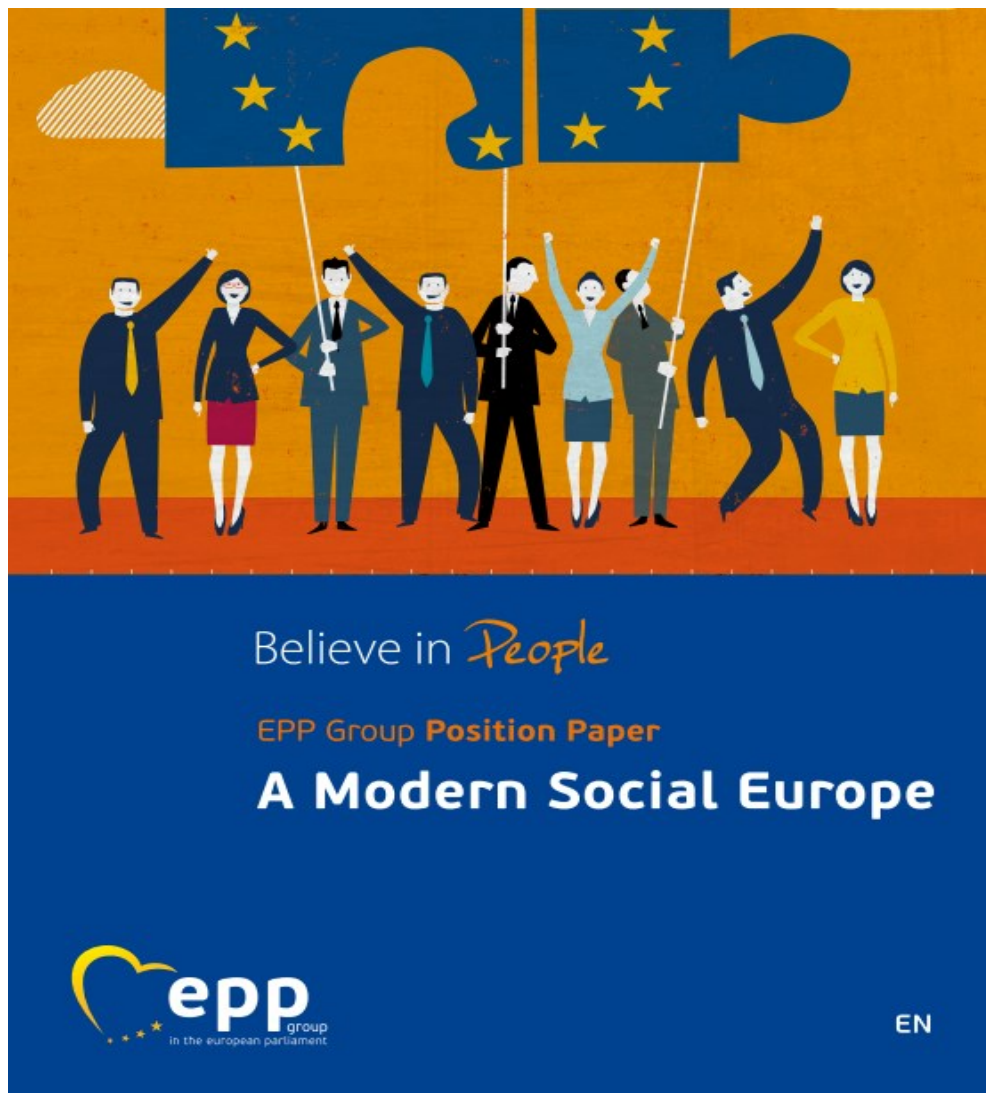
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EPP Group – EPP Group in European Parliament adopts Social Paper

The EPP Group in the European Parliament adopted its position paper on a 'modern social Europe', setting out our views and priorities on employment and social policy for the years to come. EUCDW Chairman Elmar Brok and Secretary General Ivo Belet were actively involved in drafting the text, in cooperation with the EPP members of the EPP Workers' Group.



Our views on society and the economy are based on our Christian values and on the firm belief that every person is free and must be at the centre of the social market economy. The EPP Group is convinced that our social market economy is strongly linked to efficient social dialogue. The ability of social partners to participate in meaningful social dialogue is key to balancing competitiveness and fairness, thereby shaping balanced modern EU social policies that reflect the needs of employees and employers. The Group is committed to the principle that in defining and implementing its policies and activities, the European Union should always take into account social requirements.

The whole text can be downloaded via <http://www.eppgroup.eu/publications> or by sending an email to eucdw@epp.eu.

Coming up — EUCDW Board Meeting in Lisbon, Portugal

The next EUCDW board meeting will take place on 03 June 2016, from 16:00h—19:00h, in Lisbon, Portugal, and will be hosted by our Portuguese member organisation Trabalhadores Sociais Democratas (TSD).



For more information, contact eucdw@epp.eu.

Coming up — Event 'The Way Forward for the European Social Market Economy' in Brussels, Belgium — 02 May 2016

The European Union of Christian Democratic Workers (EUCDW) and the Belgian Christian workers' movement (beweging.net), with the support of the Robert Schuman Foundation, invite you to a European network event on 'The Way Forward for the European Social Market Economy', on the occasion of 125 years Rerum Novarum.

The way forward for the European Social Market Economy

Can a better distribution of welfare bring more qualitative growth for Europe?

CONFIRMED KEYNOTE SPEAKERS: Professor John Hills (LSE) and Commissioner for Employment and Social Affairs Marianne Thyssen

WHERE? European Parliament

WHEN? Monday 02 May 2016 (event at 5.30pm, network dinner at 8pm)

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