

# Targeted Revision of the Posting of Workers Directive

(date) (name)

Social Europe



How many posted workers?	2007 : <b>600.000</b> 2015 : <b>2.049.000</b>
What destinations?	Germany (418,900) – 1.1% of DE workforce France (177,600) – 0.7% of FR workforce
Where from?	Poland (463 000) – 1.6% of PL workforce Germany (240 800) – 0.6% of DE workforce France (139 000) – 0.5% of FR workforce
Share of total EU employment?	0.9% of total EU employment
In which sectors?	41.5% construction - 24.6% industry 32.7% services - 1.2% agriculture
Main flows of posted workers? (2014 data, % on total)	Medium/Low- to high wage MS: 47.6% High- to high/Medium/low -wage MS: 43.3%
Where?	50% in neighbouring countries



- **Deadline for transposition:** 18 June 2016
- The COM sent letters of formal notice (first stage of the infringement procedure) to 15 MS (NC + CP) (September 2016). MS have two months to reply (November 2016);
- Situation as of 18/11/2016: 19 MS have notified measures, including 3 partial transposition
- In case no complete transposition is notified, a reasoned opinion will be sent (second stage). The MS will be given two months to comply (January/February 2017)





#### Long term postings (Art 2a)



#### **Directive 96/71/EC**

- Posting is temporary ("for a limited period")
- No minimum or maximum duration
- Derogations possible for shortterm posting
- No specific rule for long-term posting

#### Proposal

- Posting is temporary ("for a limited period")
- No minimum or maximum duration
- Derogations possible for shortterm posting
- Specific rule for long-term posting: if the posting is envisaged or effectively lasts for more than 24 months, the host MS is deemed to be the country in which the work is **habitually** carried out.

#### Long Term Posting - process Applicable legislation



European Commission

> Habitual place is the place of activity if more than 2 years

In absence of choice under ROME I

Company establishment Other place / contractual link

**ROME I** 

Free choice by the parties

Cannot have the result of depriving the employee of the protection afforded to him by provisions that cannot be derogated from by agreement under the law that, in absence of choice, would have been applicable



#### **Contract formation**

Performance of the contract	Linked to wages and remuneration
	Linked to working time
	Linked to work/life balance and leaves
	Linked to Health & Safety at work
	Linked to training
	Etc

## Termination of the contract

#### Long Term Posting - scope Anticipated duration



European Commission

#### Anticipated duration more than 24 months



#### Remuneration Art 3



#### Directive 96/71/EC

Posted workers should be guaranteed the terms and conditions of employment covering the following matters which are laid down by law and/or by collective agreements which have been declared universally applicable within the meaning of paragraph 8: (c ) **the minimum rates of pay**, including overtime rates;

#### **Proposal**

Posted workers should be guaranteed the terms and conditions of employment covering the following matters which are laid down by law and/or by collective agreements which have been declared universally applicable within the meaning of paragraph 8: (c) *remuneration*, including overtime rates. **Remuneration means all the** elements of remuneration rendered mandatory in the host MS.



Highest of the two

#### Home Member State

Wage

#### Host Member State

#### Remuneration

(all the elements of remuneration rendered mandatory by national law, CA declared universally applicable)

+ travel, board and lodging





Remuneration	Minimum rates of pay	Categorisation into pay groups
		Daily allowance
		Compensation for daily travelling time
		Holiday pay longer than 4 weeks
	Allowances and Bonuses	Seniority allowances
		Supplements for dirty, heavy or dangerous work
		Quality bonuses
		13th month bonuses

...



Directive 96/71/EC	Proposal
	MS have the option to impose that the conditions applied by the <b>main contractor</b> are also respected by all the undertakings in a subcontracting relationship with this company. Important condition: this needs to be done in a non-discriminatory way, i.e., it has to apply in the same way to both <b>national</b> and <b>cross-border</b> subcontractors.

#### Subcontracting







Directive 96/71/EC	Proposal
Member States <b>may</b> provide that	Member States <b>shall</b> provide that
temporary agency workers are	temporary agency workers are
guaranteed the terms and conditions	guaranteed the terms and conditions
which apply to temporary workers at	which apply pursuant to Art. 5 of
national level.	Directive 2008/104/EC.

#### Directive 2008/104/EC: Article 5

The basic working and employment conditions of temporary agency workers shall be, for the duration of their assignment at a user undertaking, <u>at least</u> **those that would apply** if they had been recruited directly by that undertaking to occupy the same job.



- Ensure and **promote freedom** of provision of services. Prevents risk of eroding support for the Internal Market
- Competition based on quality and fairness. Nondiscriminatory approach for service providers
- Respect of **national rules** in term of taxes and social security in sending MS. Respect of national wage settings systems

#### **Discussion process**



#### 20 July

#### 8 March

Adoption Commission proposal

#### Commission analysis on subsidiarity COM(2016)505

**10 May** 8 weeks feedback Parliament scrutiny on subsidiarity

### Discussion Council & EP





## Thank you

