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COMMISSION PROPOSALS ON POSTING OF WORKERS UNDERMINE THE DEVELOPMENT OF THE SINGLE MARKET

The European Commission has today adopted two problematic proposals: a directive on the enforcement of the Posting of Workers Directive and a Regulation on the exercise of the right to take collective action in the context of economic freedoms.

BUSINESSEUROPE strongly supports proper enforcement of the Posting of Workers Directive. However, imposing an EU system of joint and several liability is not the right way to reach that objective. The system envisaged by the Commission creates new obligations for companies in the construction sector in nineteen countries. Shifting the responsibility of enforcement on to companies is not the solution. They do not have the power to obtain information on individual wages of people employed by subcontractors. The administrative burden and risks linked to ill-defined responsibilities will hamper development of the single market for services and undermine the competitiveness of European companies at a time when all EU policies should support EU growth.

The draft regulation on the right to take collective action disrespects the exclusion of the right to strike from EU competences in the Treaty. It could alter tried and tested industrial relations systems at national level. The proposed European mechanism for out-of-court settlement of disputes resulting from collective action in transnational situations in particular is not needed and would overlap with long-established and well accepted national systems to settle industrial disputes.

Philippe de Buck, BUSINESSEUROPE's Director General said: *"Going at odds with its growth agenda, the European Commission has proposed EU legislation which companies will have great difficulties to apply. Companies' role is not to monitor the wages and payslips of their suppliers' workers in a different language. Developing the single market will not happen if companies operating across borders are obliged to fulfil costly administrative requirements"*.

NOTE TO THE EDITOR

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