



PRESS RELEASE

EUROPEAN TRANSPORT WORKERS' FEDERATION

FEDERATION EUROPEENNE DES TRAVAILLEURS DES TRANSPORTS

Brussels, 27 May 2015

EUROPEAN COMMISSION TRADES OFF SOCIAL COMMUNITY RULES FOR FREE MOVEMENT OF GOODS AND SERVICES

On 19 May 2015 the European Commission (EC) announced it would open infringement procedures against Germany on the application of the minimum wage to transport. The respective EC press communication offers indications that the European institution is ready to give up some of the Community rules - i.e. Directive 96/71/EC on Posting of Workers - for the sake and benefit of free movement of services and goods. The European Transport Workers' Federation (ETF) notes with surprise that, according to the Commission's communication, the German minimum wage would not apply to "certain international transport operations".

The ETF recalls that pay and conditions of the Member States hosting transport operations, no matter of which type these operations may be - domestic, international, cross-border, cabotage - apply as long as the conditions of Directive 96/71/EC (Posting of workers) and Regulation (EC) No 593/2008 (Rome I Regulation) are fulfilled. The "free movement of services and goods" does not justify the breach of these two pieces of EU law which hold the power to curb social dumping in transport.

In its capacity of "Guardian of the Treaty", as the EC quite rightly portrays itself in the press release, the EC cannot pick and choose what Community rules it wishes to apply. The Posting of Workers directive, its enforcement act (Directive 2014/67/EU) and the Rome I Regulation were adopted to ensure that within an internal market split by income disparities, business will compete fairly, taking no advantage of these disparities to destabilise domestic labour markets and economies. Thus, irrespective of their nationality, workers would be covered by the pay and conditions of the Member State where they carry out their activity, as long as they work in or from that particular Member State.

With regard to the proportionality of sanctions and enforcement measures adopted by Germany, the ETF points out that proportionality must be considered in the context of the magnitude of illegal employment schemes and social practices in the sector: massive recruitment of mobile personnel via letter box companies, massive evasion of social security obligations by transport companies, discrimination in pay and conditions based on nationality of mobile worker, etc.

The ETF finds it puzzling how easy the European Commission opens infringement procedures against the lawful application of social and labour Community rules in transport, while on the other hand it is doing nothing to address the 4-year delay in the full implementation of the European Register for Road Transport Undertakings (ERRU). The ERRU should have been functional by December 2011 and, along with enforcement of Posting of Workers directive and Rome I Regulation, would have been one of the key instruments to address social dumping, unfair competition and social fraud in road transport.

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The ETF represents more than 3.5 million transport workers from more than 230 transport unions and 41 European countries, in the following sectors: railways, road transport and logistics, maritime transport, inland waterways, civil aviation, ports & docks, tourism and fisheries.