



Social partners' joint statement on fair employment of Third Country Nationals in subcontracting chains

Introduction

Finding workers in Europe is challenging due to skills shortages, demographic changes, and competition for talent. Subcontractors provide specific expertise in areas where the business doesn't have the skill set, while focusing on core tasks. When skilled workers are matched with subcontracting firms, both parties benefit: companies can deliver high-quality projects, while workers gain valuable experience, flexibility, and potential career growth. This collaboration strengthens both subcontracting firms and the workers within Europe's economy.

European chemical companies play a pivotal role in ensuring quality job for both direct employees and those within subcontracting chains. Quality jobs are understood as those that provide fair wages, competence development, ensure work-life balance, respect physical and psychological health and safety standards and prevent exploitation.

While isolated cases of employment malpractices affecting particularly third country national (TCN) workers have occurred, they do not reflect the broader practices within the industry. However, we as social partners, recognize the importance to highlight the need for continued efforts to ensure fair treatment, compliance with labour laws, and the protection of all workers in the EU, including TCN workers' rights throughout the subcontracting chains.

In this context, the European Chemical Social Partners - <u>industriAll European Trade Union</u> and the European Chemical Employers Group (<u>ECEG</u>) - are deeply committed to safeguarding the safety and well-being of all workers in the EU, including third country nationals and strongly uphold human rights standards in the subcontracting chains. We also strongly condemn any form of human rights abuse.

Recommendations

The European chemical social partners recommend considering the following actions necessary to prevent any incident of employment malpractice:

1. We call the EU for a more **robust industrial strategy** that leads to retention and creation of quality industrial jobs across Europe.

- 2. **EU-level Migration Rules:** Both the Single Permit and the Long-Term Residents Directives, alongside the upcoming EU-wide matching tool to facilitate international recruitment should be instruments to bring more transparency and accountability in employing Third Country Nationals (TCN).
- 3. **EU digital tools:** the interplay of existing European digital instruments can simplify and facilitate the exchange of information, as well as increase transparency on sites during works. These tools include, for example:
 - a. The EU Digital Identity Wallet (EUDI): available to EU citizens, residents and businesses that want to identify themselves or provide confirmation of certain personal information. A swift roll out of the EUDI across Member States and companies will enable quick and burden-free checks on personal information within the EU and EEA and across borders. Protection of personal data must be ensured.
 - b. A European "eDeclaration" to standardise and simplify reporting for posting of workers within the EU could be helpful if it is accompanied by effective inspections, and efficient verification and enforcement provisions.
 - c. **The European Social Security Pass (ESSPASS)** or similar tools can be used to verify the personal information and status of workers.
- 4. **Transparency and Accountability:** Transparency shall be ensured in the employment conditions of all workers, including TCN. All actors involved should be committed to adhering to national and European rules, including standardised legal compliance and documentation. This commitment should cover fair recruitment practices, good working conditions and integration, open communication channels, stakeholder engagement, amongst other measures.

Member States should take measures to eradicate fraudulent practices. In addition, they shall be responsible for the inspection and enforcement of safe working conditions on sites, throughout the value chain. Special attention should be paid to good working conditions and prevention of discrimination.

- 5. **Inspection Bodies:** Member States should ensure the correct functionality of inspection bodies. Effective and efficient enforcement measures, including criminal law, should be in place to combat fraudulent labour supply agencies and intermediaries¹.
- 6. European Labour Authority (ELA): The increasing intertwinement of EU rules on labour mobility and labour migration highlights the need for more accurate, accessible, and up-to-date information on TCN employment regulations. The ELA should offer employers, Member State, and workers a helpdesk and a web tool that provide practical guidance and comprehensive information on labour mobility.

¹ Joint statement: "An Industrial Deal focused on ensuring quality industrial jobs in Europe", May 2024. Available at: https://www.eceg.org/files/ugd/977a5c 68bb3a55b7884870aeb8c3e36d808f72.pdf.

- 7. **Unfair competition:** In compliance with national and EU rules, policies to prevent unfair competition should be promoted when subcontracting work, including actions against abnormally low offers in tenders, social clauses or conditions. This can be a way to protect a fair business level playing field.
- 8. **Implementation of the rights of workers**: In line with the different industrial relations systems and laws around Europe, TCN workers (where directly or indirectly employed) must be able to claim the same rights as all European workers, including access to inspection bodies.
- 9. Promote collective bargaining: In compliance with European and national law and the different industrial relation systems, collective agreements should stipulate the rights and obligations of employees and employers, define working conditions, promote good employment practices and good working conditions for workers of the company, including TCN. In the case of a decision to subcontract work, workers' representatives should be involved, and at least informed, according to national rules and practices.

Conclusion.

These recommendations aim to ensure fair treatment, prevent exploitation, and enhance transparency in the employment of workers, including TCN, in the EU. As signatories of the Antwerp Declaration for a European Industrial Deal, and the joint statement "An Industrial Deal focused on ensuring quality industrial jobs in Europe", dedicated to the social dimension, the European Chemical Social Partners are committed to work with all stakeholders and authorities to prevent any fraudulent practices. ECEG, industriAll Europe and their member organisations will communicate and cooperate at all levels with each other and their partners from other industrial sectors to ensure fair employment under good conditions at all work sites.

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