



Brussels, 28 November 2014

Joint position by the European social partners of the Cleaning Industry regarding the European Commission decision proposal and the EMPL-Committee draft report on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work

The EFCI (European Federation of Cleaning Industries)¹ and UNI Europa² have taken note of the European Commission decision proposal and the EMPL-Committee draft report establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work and would herewith like to submit their joint comments. Through the present position paper, the European social partners wish to draw the attention to a series of elements, which are of high importance to companies and workers providing cleaning services.

The EFCI and UNI Europa represent more than 176.000 companies with an annual turnover of about 64.5 billion Euros as well as more than 3.32 million workers. It is a highly labour intensive sector where personnel costs (wages, social security contributions, etc.) represent about 80% of the total costs. They are recognised by the European Commission (DG Employment, Social Affairs and Equal Opportunities) as European sectoral social partners in accordance with the European Treaties. Further information can be found on the respective websites: www.efci.eu and www.uni-europa.org.

General comments

In general terms, the EFCI and UNI Europa have a strong interest in all European legislation that affects employment, competitiveness and working conditions of the sectors' companies and employees. We therefore highly welcome the intention to establish an EU platform to enhance cooperation in the prevention and deterrence of undeclared work. As in other sectors, illegal employment, bogus self-employment and other forms of undeclared work are of high concern for companies providing cleaning services.

The companies of our sector are mostly SME's. It is a highly labour intensive sector where personnel costs (wages, social security contributions, etc.) represent about 80% of the total costs. Therefore, any fraud on social insurance contributions and on tax payments leads to a massive distortion of competition at the expense of law-abiding companies. Furthermore, the wage dumping caused by undeclared work strongly puts at risk the regular employment within these law-abiding companies.

On 12 March 2014, the European social partners submitted their joint position to the European Commission 2nd stage consultation on enhancing EU cooperation in the prevention and deterrence of undeclared work. They clearly stated that the involvement of European sectoral social partners with a high incidence of undeclared work within the planned platform must be ensured. This goes in any case for labour intensive sectors, such as industrial cleaning.

¹ The European Federation of Cleaning Industries (EFCI) represents and promotes the interests of cleaning contractors in 18 Member States of the European Union

² UNI Europa is a European trade union federation. It unites national trade unions organising in service and skills sectors. It has 320 affiliated trade union organizations and represents 7 million workers in 50 countries

Specific comments

1.) Clear procedures needed to select the sectors to be involved in the European platform

Both, the European Commission decision proposal in its article 6 as well as the EMPL-Committee draft report in its amendment 27, acknowledge that a maximum of 10 European sectorial social partners in sectors with a high incidence of undeclared work will be involved in the works of the platform.

However, there are no procedures on how the selection of the sectorial social partners will be carried out. In this regard, the Commission proposal only states that the selection will be made “*on the basis of the proposals*” from the social partners themselves. This provision is much too vague and unclear. We therefore strongly suggest to tackle this important question and to introduce a clear procedure for the selection of the sectorial social partners.

Whilst the identification of European social partners at cross-industry level is easy to carry out, as there are three on the employers' side (BusinessEurope, CEEP, UEAPME) and one on the trade union side (ETUC), this individuation is much more difficult at sectorial level. Only a few European sectorial employers' associations are members of one of the three European employers' associations at cross-industry level. It is therefore not at all clear how and who will take the final decision regarding the selection of the sectorial social partners' organisations.

2.) Ensure the involvement of the sectorial social partners of the cleaning industry

The European social partners are central actors in the fight against undeclared work, especially in those sectors most affected by the phenomenon, which are in any case all labour intensive industries. Therefore, the social partners of the cleaning industry have carried out numerous policy activities, practical guides, joint actions and declarations.

Since the establishment of a sectorial Social Dialogue Committee in 1999, the social partners of the cleaning industry EFCI and UNI Europa dedicated an important part of their efforts to the improvement of the sectors' image and the encouragement of a healthy competition. That is why they adopted joint declarations on working conditions, education & training and undeclared work and elaborated with the financial contribution of the European Commission a joint guide in all languages of the EU entitled “Selecting Best Value - A guide for organisations awarding contracts for cleaning services”. The guide offers purchasers a practical tool aiming to break the vicious circle provoked by the “lowest price” as the sole criterion considered by service purchasers.

Furthermore, the explanatory memorandum of the Commission proposal (page 3) explicitly enumerates seven sectors particularly affected by undeclared work, amongst which industrial cleaning.

As a consequence, membership of the European social partners of the cleaning industry in the platform is indispensable. As one of the labour intensive industries, being particularly affected by undeclared work, we strongly demand to be amongst those sectors that will be represented in the platform.

Signed in Brussels on 28 November 2014



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