



## EUROPEAN COMMISSION

DG EMPLOYMENT, SOCIAL AFFAIRS AND EQUAL OPPORTUNITIES

Social Dialogue, Social Rights, Working Conditions, Adaptation to Change

**Social Dialogue, Industrial Relations**

### SECTORAL SOCIAL DIALOGUE

#### HORECA

#### Plenary Meeting

15 June 2009

#### Summary of the decisions taken

#### List of participants:

##### For EFFAT:

Harald Wiedenhofer  
Kerstin Howald  
Rudolf Komaromy  
Aage Jensen  
Zsafia Sütö  
Zsolt Horvath  
Pál Kovács  
Emilio Fagnoli  
Tito Livio Mongell  
Gabriele Guglielmi  
Gabriele Fiorino  
Emilio Ferrero López  
Fernando Medina  
Josef Bugeja  
Kevin Camilleri  
Sirpa Leppakangas  
Christian Juyaux  
Doudou Konate  
Michel Légalité

##### For HOTREC:

Marguerite Sequaris  
Martin Couchman  
Alessandro Nucara  
Jostein Hansen  
István Kovács  
Ferenc Kiss  
Lajos Bököcz  
Szabina Szikora  
Edina Törö  
Aki Raudas  
Dominque Teissèdre  
Alexia Bonnot  
Kent Nyström  
Susanne Svärd Elfström  
Emilio Gallego Zuazo  
Isabel Sobrino Maté

##### Invited Guests:

Monica Basile, Associazione Albergatori Trentini, Federalberghi  
Barbara Maffei, Club Qualità Parco  
Pernille Lehm, NP Hotels

##### For the Commission:

Elisabeth Aufheimer, DG EMPL (Chair)  
Renate Penitz, DG ENTR  
Ursula Scheuer, DG EMPL

The chair opens the meeting and welcomes the participants. She reads out the agenda which is amended to move item 5 before item 3, and item 6 before item 4.

## **1. Approval of the agenda**

The agenda is adopted.

## **2. Approval of the minutes of the last plenary meeting (2 December 2008)**

The minutes are approved.

## **5. Corporate Social Responsibility**

- Best practices: presentation of two CSR practices in the hospitality sector
  - Italy
  - Denmark

Ms Monica Basile and Ms Barbara Maffei present the Club Qualità Parco (Province of Trento) which is a local environmental/marketing certification project.

The presentation can be downloaded here:

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=/horeca/2009/20091506\\_plenartagung/20090615\\_presentation/ EN 1.0 &a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/horeca/2009/20091506_plenartagung/20090615_presentation/ EN 1.0 &a=d)

Mr Couchman (HOTREC) emphasizes that this project provides an opportunity for smaller operators to work together. Environmental questions must be seriously taken into account and national parks as new element in tourism should be promoted. In answering a question from Mr Wiedenhofer (EFFAT) whether in the sustainability certification process also employment and social issues are taken into account, Mr Nucara (HOTREC) underlines that social standards are also taken into consideration, that all employers in the region are affiliated to the employers' association, and that the collective agreements with the Italian trade unions are respected.

Ms Permilie Lehm gives a presentation on CSR at NP Hotels in Denmark.

The presentation can be downloaded here:

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=/horeca/2009/20091506\\_plenartagung/20090615\\_presentation\\_1/ EN 1.0 &a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/horeca/2009/20091506_plenartagung/20090615_presentation_1/ EN 1.0 &a=d)

In answering questions from Mr Jensen (EFFAT), Ms Lehm explains that in case of outsourcing NP Hotels has some influence in making sure that the working conditions the staff had at NP Hotels are maintained. Concerning elderly workers the philosophy is to keep them if they want to stay, therefore achieving a mixture of young and older staff.

## **3. Qualification and Skills Passport**

- Application for funding of the project "Towards the implementation of the European Qualification and Skills Passport (QSP) in the hospitality sector" - State of play
  - Launching of call for tenders
  - Further actions
    - Preparatory phase (1 June 2009 – 15 April 2010)
    - Follow up phase (19 April – 1 June 2010)

Ms Howald (EFFAT) reports on the current situation and informs the participants that the EFFAT/HOTREC project "Towards the implementation of the European Qualification and Skills Passport" has been approved by the European Commission.

With regard to the next steps, Ms Howald explained that the official call for tenders had been launched on 12 June 2009. The documents regarding the call for tenders were sent to the potential tenderers by email and by registered mail.

On the experimentation phase, Ms Howald explained that EFFAT and HOTREC had sent a joint letter on 3 June 2009 to the national trade unions and trade associations of Hungary, Ireland, Italy, Malta and Spain asking them to confirm their interest to participate jointly in the experimentation phase. The social partners from Ireland, Malta and Italy have already confirmed their willingness to take part in this first phase. Responses from Spain and Hungary are on the way.

The project steering committee will meet on 30 June to evaluate the tenders and to choose the external expert.

A conference will take place in April 2010. The project has to be finalized by June 2010.

Ms Aufheimer (European Commission) reports on a possible cooperation between EURES and the sectoral social dialogue committee in agriculture in order to work out a new taxonomy. As a result, the AGRIPASS could be integrated into the EURES portal. In the relatively near future, this will also have repercussions on the QSPs of other committees, like HORECA.

#### **4. Undeclared work/Illegal working practices**

- Relations between VAT rates/social security contributions and undeclared work

Ms Bonnot (HOTREC) gives a presentation on "The reduction of VAT rate for French restaurants related to the issue of undeclared work".

The presentation can be downloaded here:

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=/horeca/2009/20091506\\_plenartagung/20090615\\_presentation\\_3/EN\\_1.0\\_&a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/horeca/2009/20091506_plenartagung/20090615_presentation_3/EN_1.0_&a=d)

The VAT reduction is based on "The contract for the future" which was signed in April 2009 by the French Government and some French professional associations.

The French EFFAT representatives state that the employees and workers had never been consulted and have not signed this contract.

In the following discussion the two Spanish EFFAT representatives question the connection between VAT and undeclared work. According to both trade unions representatives the reduction of VAT is not the solution to reduce undeclared/illegal work. They stressed that other measures should be implemented in order to reduce undeclared/illegal work.

Mr Couchman (HOTREC) mentions that this issue was on the agenda of the SSDC and that a joint declaration on reduced VAT rates was signed by the social partners some years ago. He emphasizes the correlation between VAT and social security contributions on the one hand and undeclared work on the other hand. He points out that high VAT rates are not the only cause for undeclared/illegal work but do have an impact on the level of undeclared/illegal work.

The Austrian EFFAT representative insists upon the fact that the main reason for undeclared work is to avoid paying social security fees. In Austria he sees no connection between VAT reduction and undeclared work.

Mr Juyaux (EFFAT) suggests assessing the effects of the VAT reduction in France in one year.

Mr Wiedenhofer (EFFAT) observes that the social partners have been talking on this issue for many years. The discussion with regard to the joint declaration was always on how to promote employment. Initiatives are successful if they are supported by everybody, if it is a joint initiative. This is not the case in France, where the trade unions were not involved.

Ms Howald (EFFAT) underlines that there are different approaches in the various countries on the question of fighting against undeclared work. She proposes to establish an overview on what is going on in the Member States, on the effects of different measures, on which commitments were made and how they were implemented. She suggests discussing this issue at the next steering committee with the goal of producing a joint document on undeclared work.

She proposes to take the EFFAT statement on undeclared work as the basis of the future EFFAT/HOTREC work on this issue.

Martin Couchman points out that a common HOTREC/EFFAT position on undeclared work should strike the right balance between the causes of undeclared work and the possible measures to be taken.

It was agreed to continue working on the issue of undeclared work.

## **6. Free movement of workers**

- within the EU
- from third countries

Ms Scheuer (European Commission) gives a presentation on "Free movement of workers in the European Union".

The presentation can be downloaded here:

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=horeca/2009/20091506\\_plenartagung/20090615\\_presentation\\_2/ EN 1.0 &a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=horeca/2009/20091506_plenartagung/20090615_presentation_2/ EN 1.0 &a=d)

The French and the Spanish EFFAT representatives ask about problems concerning social security schemes linked to cross-border work and the posting of workers. Ms Scheuer recommends putting the social partners in contact with one of her colleagues in charge of social security questions.

In answering a question from Ms Howald (EFFAT), Ms Scheuer explains that concrete data on mobility are to be found in the Commission's report on transitional periods. The average mobility is 2%, it was slightly increasing, but is actually declining due to the crisis.

With regard to third country nationals, Ms Scheuer explains that the Blue Card Directive on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment had been adopted by the Council on 25 May 2009.

No agreement was reached within the Council on the Directive on a single application procedure for a single permit and a common set of rights for third country nationals.

Ms Scheuer informed participants that the Commission planned to present proposals for 2 new Directives on:

- Seasonal workers
- Inter corporate transferees

Mr Bugeja (EFFAT) expresses his thanks to HOTREC for its important contribution to the last Mediterranean Conferences as well as to the Commission for having funded these

projects. These Conferences provide a good opportunity to deepen discussions on certain issues. A 5<sup>th</sup> Mediterranean Conference is now in the planning, to synthesize the results of the previous initiatives. He invites HOTREC to support the project and to cooperate on migration, mobility and seasonal work.

## **7. Committee of experts on posting of workers**

### **- State of play**

HOTREC does not see why the sector was listed as taking part in this committee. For EFFAT, there are areas of concern, particularly in the area of tour operators bringing their own staff to the destinations where they also work in accommodation and do the preparation and serving of food. EFFAT intends therefore to continue its participation in the expert committee.

Martin Couchman asked EFFAT to inform HOTREC about possible cases of posted workers in the restaurant and catering sector.

HOTREC will continue to attend the next meetings of the Committee of experts on posting of workers.

## **8. Economic crisis: discussion on various measures taken at national/regional as well as at the company level**

Mr Couchman (HOTREC) makes reference to the letter concerning better regulation which was sent by the HOTREC President to the President of the European Commission. The new communication from the Commission "A Shared Commitment for Employment" will be discussed at the next Steering committee on 16 September 2009. Remarks on a meeting on the crisis and recovery, held in Prague earlier this month, were circulated.

Ms Howald (EFFAT) recalls the discussions on the crisis at the EFFAT General Assembly held in March, as well as at the SSDC Steering committees. She underlines that the social partners have a joint interest in finding solutions to the crisis and ways to deal with it in terms of employment. Best practices show that sometimes social partners are able to find solutions together with governments. She mentions best practices from Malta and Slovenia. The social partners should monitor the situation and also look for examples of best practices and exchange information on them. Her suggestion is to pursue a positive approach on how the effects of the crisis on the sector could be mitigated and how the crisis could be used in order to better prepare the sector for the future.

Mr Nyström, HOTREC President, insists upon the importance of social dialogue. He states that personnel costs vary between 30% and 40% and that a lot of money is used to train staff. To lay off people is one of the last measures employers want to set up, but in facing a global crisis, you are forced to take actions. Enterprises have to make profit in order to secure the future. In some countries there are no very flexible rules to prevent entrepreneurs to take proper action. He expresses his surprise concerning the EFFAT press release of April 2009.

EFFAT representatives from Spain, Italy and Malta explain that the crisis should not be used to make people pay via redundancies. Since the sector is suffering because of external factors, necessary tools to tackle the crisis should be used. Outsourcing and lay-offs are not an appropriate approach to fight against the crisis. Flexible working hours and training i.e. are more adequate instruments.

Mr Wiedenhofer (EFFAT) thanks Mr Nyström for taking part in the plenary meeting and for his constructive critics on the EFFAT press release. He points out that in the PR EFFAT was not talking about employers across the board; just the black sheep have been pointed out, a minority group which is using the crisis as a pretext. He insists upon the fact that employers

and trade unions have a joint interest in tackling those black sheep in order to have fair competition in the sector. Social partners also have a common interest to bridge the crisis. In the old Member States, the social partners can use labour market instruments for flexible solutions in times of crisis, although these are not always used to their full extent, but in most of the new Member States such instruments do not exist which shows the weakness of social dialogue. The trade unions' approach is that the social partners together with the national employment agencies should work to avoid redundancies and the loss of qualified staff, and use the existing instruments, i.e. EU funds to develop training measures in order to prevent lay-offs and come out from the crisis.

## **9. Recent developments in social matters**

Ms Aufheimer (European Commission) gives a short overview on recent developments in social matters.

- Communication on social dialogue: Its adoption has been postponed until probably December 2009.
- Working time directive: Parliament and Council could not find a compromise on three crucial points: the opt-out, on-call time and multiple contracts. Since there is no agreement, the current directive remains in force, though the Commission can draft a new proposal from scratch. Such new legislation would need to take into account the rulings of the European Court of Justice on on-call time.
- European Works Councils: The new directive has been adopted. The Member States have two years to implement the new legislation.
- Blue Card: The Council has adopted the "EU Blue Card". EU Blue Card holders will enjoy equal treatment with nationals of the Member State issuing the Blue Card, regarding working conditions, freedom of association, education, training and recognition of qualifications, etc.
- Discrimination related issues: The official signature of the framework agreement on parental leave will take place on 18 June 2009.

## **10. Recent developments in tourism matters**

Ms Penitz, DG ENTR, makes reference to the initiatives of DG ENTR in tourism matters:

The Tourism Unit started to implement the new preparatory action on social tourism "Calypso". It is intended to catalogue the main good practices as a means to encourage tourism activity during off-peak season, thus generating employment opportunities when tourism demand is traditionally low. A call for tenders was launched for a comprehensive study in order to propose a mechanism taking into consideration the existence of particular target groups (senior citizens, young people, disabled citizens and families facing difficult social circumstance). This study will be launched in autumn 2009 and first results shall be available by spring 2010.

With regard to the study on the competitiveness of the EU tourism industry, two surveys were carried out:

- a Flash-Eurobarometer survey (in February 2009):

[http://ec.europa.eu/enterprise/newsroom/cf/itemshortdetail.cfm?item\\_id=3079&tpa\\_id=136&lang=en](http://ec.europa.eu/enterprise/newsroom/cf/itemshortdetail.cfm?item_id=3079&tpa_id=136&lang=en)

- a SME survey on the tourism supply-side (by using a Commission internal consultation tool within the Enterprise Europe Network).

Documents can be downloaded here:

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=/horeca/2009/20091506\\_plenartagung/20090615\\_accommodation/ EN\\_1.0 &a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/horeca/2009/20091506_plenartagung/20090615_accommodation/ EN_1.0 &a=d)

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=/horeca/2009/20091506\\_plenartagung/20090615\\_gastronomy/ EN\\_1.0 &a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/horeca/2009/20091506_plenartagung/20090615_gastronomy/ EN_1.0 &a=d)

[http://circa.europa.eu/Public/irc/empl/sectoral\\_social\\_dialogue/library?l=/horeca/2009/20091506\\_plenartagung/20090615\\_results/ EN\\_1.0 &a=d](http://circa.europa.eu/Public/irc/empl/sectoral_social_dialogue/library?l=/horeca/2009/20091506_plenartagung/20090615_results/ EN_1.0 &a=d)

In June the interim report of this study, to which the Tourism Sustainability Group contributed, was provided and the full results of the study shall be available by September 2009.

The European Tourism Forum 2009 will take place in Brussels on 9<sup>th</sup> October and will focus on the topic of the economic crisis. With regard to this event, the Tourism Unit currently envisages to undertake another reduced Eurobarometer survey.

With regard to the Calypso project, Mr Gallego Zuazo (HOTREC) insists upon the necessity to ensure that as many opportunities as possible of this kind of projects are beneficial to SMEs.

## 11. Miscellaneous: -

## 12. Next meetings 2009

30 June 2009 (tbc)	Special SSD Steering Committee (to evaluate tenders)
16 September 2009	SSD Steering Committee
13 November 2009	SSD Steering Committee
1 December 2009	SSD Plenary
Liaison Forum Meetings	
25 June 2009	Liaison Forum (10.00-13.00)
21 September 2009	Liaison Forum (14.00-17.00)
07 December 2009	Liaison Forum (14.00-17.00)
Special meetings	
22-23 June 2009	Restructuring Forum: “Impact of Climate Change on Employment”, Brussels
2 July 2009	Conference “Tackling work related stress in the EU”
9 October 2009	European Tourism Forum, Brussels