

Posting workers in UE. Cross border Temporary Agency Work in SAAR-LOR-LUX.

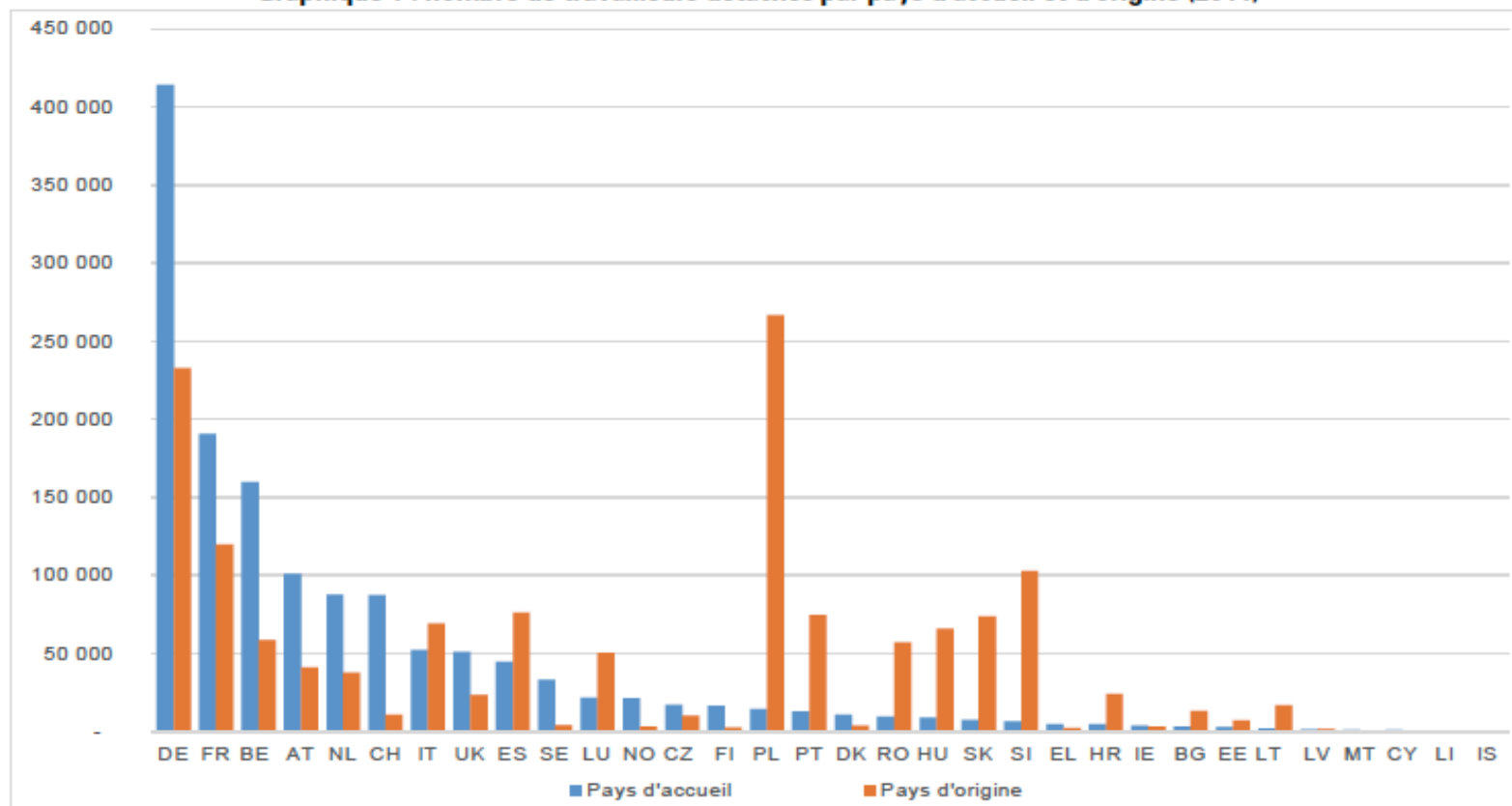
Rachid Belkacem , Cathel Kornig , François Michon , Christophe
Nosbonne, et Benoit Scalvinoni

Definitions

- ❑ **Saar-Lor-Lux (SLL):** Luxembourg + Belgian Wallonia + German Saarland and Rheinland Pfalz + French Lorraine
- ❑ **Posted work:** « *an employee who is sent by his employer to carry out a service in another EU Member State on a temporary basis* ».
 - Temporary agency work is one of the 3 kind of posted work
- ❑ **Border worker:** « *every people which has a job (employee of independent) in a member-state and is resident in another member-state, where he or she comes back every day, or, at less, one time a week* »
- ❑ **See:** Belkacem, Kornig, Michon, Nosbonne et Scalvinoni (forthcoming), « *Les pratiques de détachements de travailleurs en Union européenne : importance formes et enjeux. Le cas de la grande région Sarre-Lor-Lux* », IRES – Agence d'objectif et Force Ouvrière.

Posted workers in UE (2014)

Graphique 1 : nombre de travailleurs détachés par pays d'accueil et d'origine (2014)



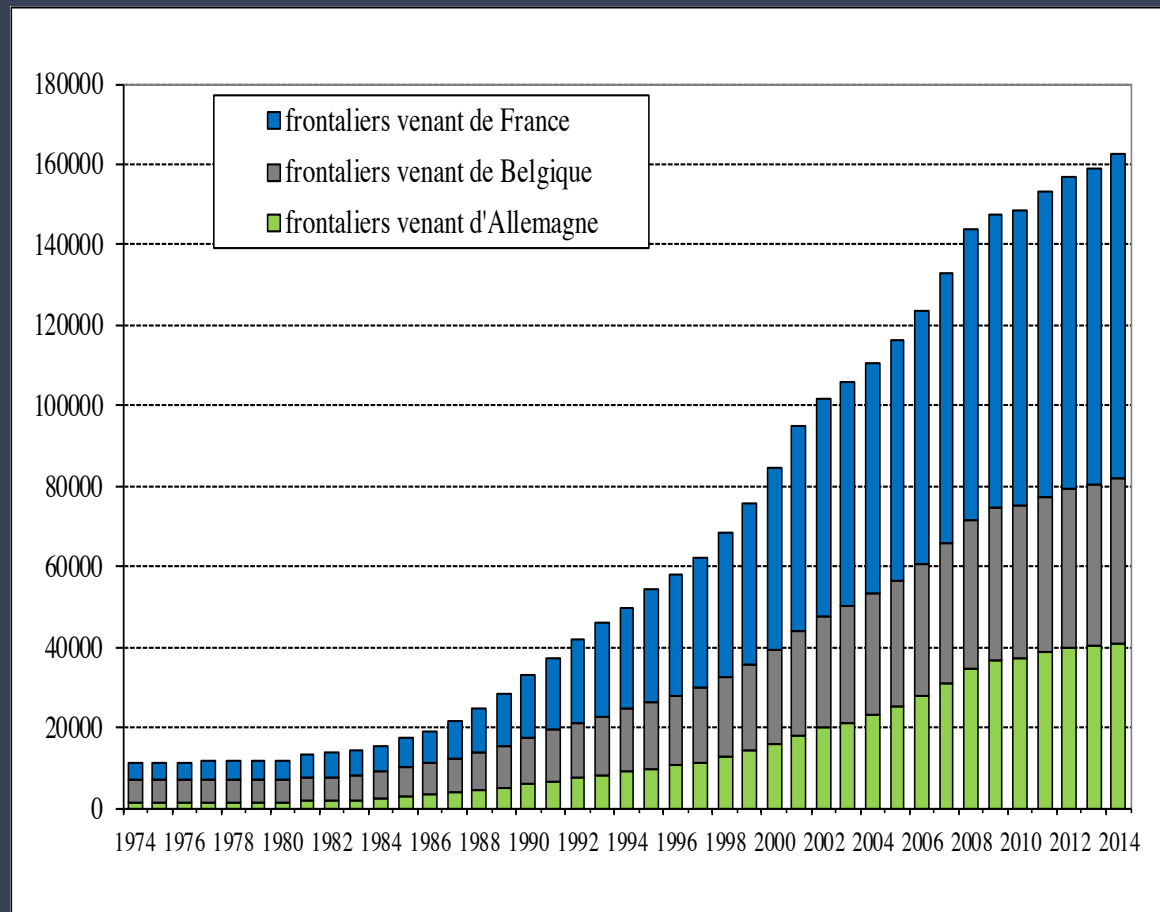
Source : Pacolet J. et de Wispelaere F. (2015), *Posting of workers, Report on A1 portable documents issued in 2014*, Commission européenne.

blue = destination country orange = supplier country

☐ Luxembourg, the richer member state, exports posted workforce more than it imports

rachid.belkacem@univ-lorraine.fr, cathel.kornig@icloud.com, fmichon@univ-paris1.fr, christophe.nosbonne@univ-lorraine.fr,

Cross border work in Luxembourg: a fast increase



- ✓ Blue : from France
- ✓ Grey: from Belgium
- ✓ Green: from Germany

Source : Université du Luxembourg d'après les données IGSS/CCSS

Cross border work in Luxembourg

□ In Saar-Lor Lux (SLL)

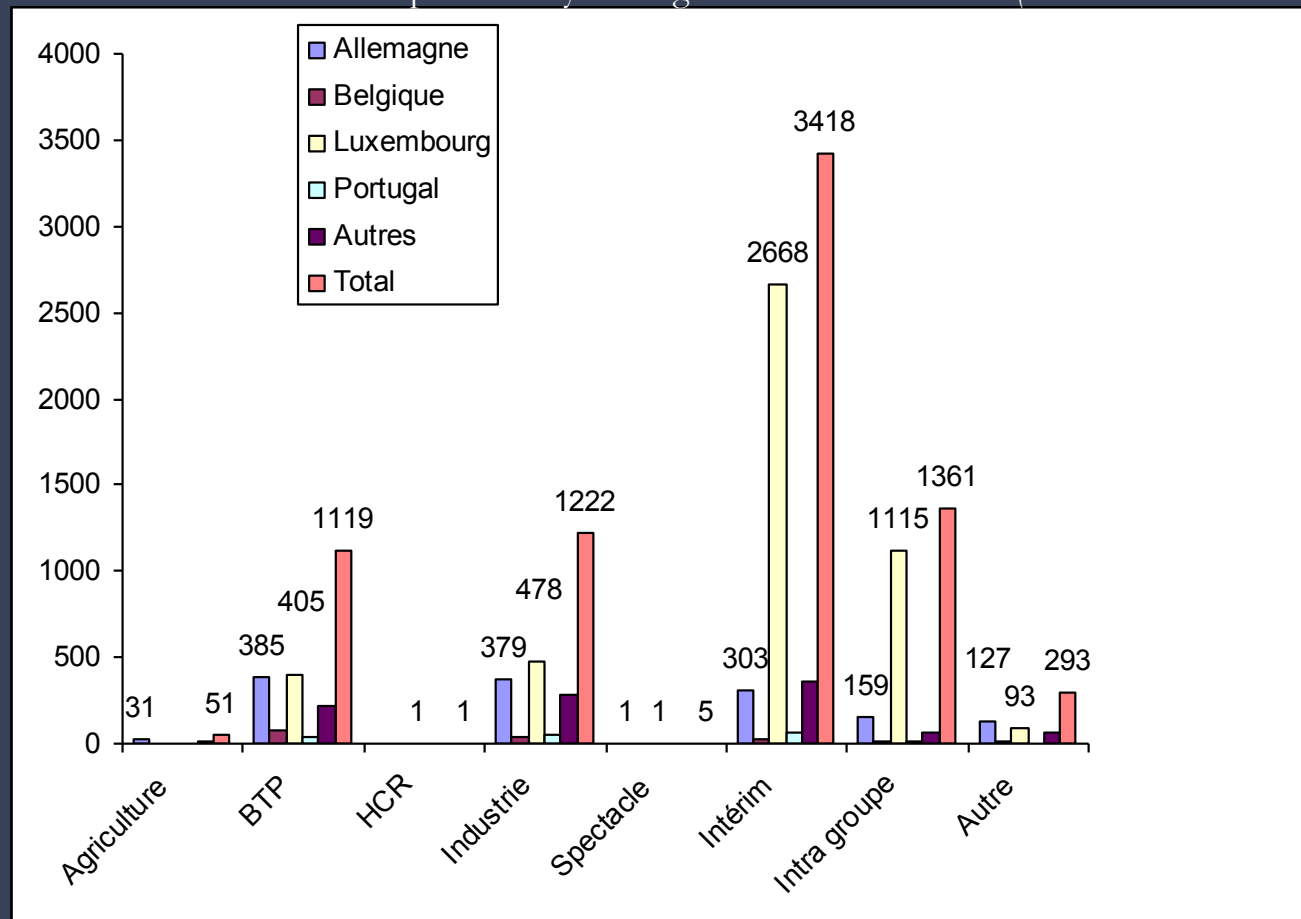
- Luxembourg is the first destination of cross borders
 - (44% of its work force, 69% are agency workers)
- Lorraine is the main supplier
 - #7 to 8% of its work force, 70% towards Luxembourg,
 - Little French border towns can have 80% of cross borders, working in Luxembourg

TAWork in Luxembourg

- # 8100 TAWorkers
- Of which # 69% of cross borders workers
- Mainly French residents
- Relatively youngs

Posting from Luxembourg to Lorraine

Table 3: PSI in Lorraine 2014. Distribution per country of origin and business sector (Source : Direccte – URACTI, 2015)



Who?

- Blue collars
- Rather skilled
- Loyal to their agency
- Assignments with relatively long duration (> it is usual in France)
- Seem satisfied of their working conditions

Why?

□ Regulation =

- Luxembourgian and French regulation of agency work
 - **Highly protective in the two cases**
- UE regulation of posted work
 - Labour rules (wages : minimum wages, equal treatment...): the rules of the work place
 - Social security contributions: the rules of the employer country
 - **Key point: the financing of social security**
 - general taxation in Luxembourg : without direct costs for firms (agencies)
 - Employers and employees contributions in France: direct cost for firms

□ => Labour costs:

- Luxembourg : high protection, higher wages, lower prices
- France high protection, lower wages, higher prices.

A work force management in the area

- Today, local roots may seem less decisive than before for TWA Agencies:
 - ✓ Agencies of the same network (the same brand) can share their files of demanders and suppliers: an European market area
 - ✓ Luxembourgian agencies have a close and regular collaboration with Pôle Emploi (the French public employment service)
- But it also can be observed the importance of local roots:
 - ✓ 41 private TWA Agencies operating in the “little” Luxembourgian market
 - ✓ 32 TWA store in the little Luxembourgian town ESCH Alzette near the border
 - ✓ **Key point: The place of signature of the assignment contract decides of the applied regulation : a store in France depending of a Luxembourgian agency proposes luxembourgian contracts: high wages, good social security**

So we have this frequent situation:

- A French worker (resident in France)
- Signs a contract with a Luxembourgian agency
 - In its office localised in France
- Has an assignment in a French firm, in a plant localised in France (in Lorraine or elsewhere)
- Is depending of the Luxembourgian regulation: wages, social security
- Except for working conditions: the French rules of equal treatment, health and security, controls by the French administration

A win-win system or a social dumping?

□ Employers

- Luxembourger: a win-win system
- French: an unfair competition, a social dumping

□ French unions

□ French Labour inspectorate