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Consultation response

BusinessEurope's response to first-phase consultation of social partners under Article 154 TFEU on a possible direction of EU action to improve working conditions, health and safety at work and implementation of workers' rights – Quality Jobs Act

27 January 2026

In reply to the 1st phase-consultation on a possible direction of EU action to improve working conditions, health and safety at work and implementation of workers' rights – Quality Jobs Act published on 4 December 2025, **BusinessEurope would like to underline some key elements** to be taken into account when defining a way forward on the issues raised in the Commission's consultation document.

General remarks

Quality jobs are a result of competitiveness. Competitive companies create economic growth and employment. Their strength is a precondition to invest in social protection and improve working conditions. In its consultation document the Commission rightly stresses the importance of simplification and reduction of the regulatory burden as means to improve competitiveness in Europe. However, presenting job quality as an "enabler of EU's competitiveness" is misleading. It gives the incorrect impression that high quality jobs can be created by decree and overlooks many factors—such as business competitiveness and labour market dynamics—that ultimately are enablers of job quality. As explained in the Draghi report, the EU currently suffers from a heavy, complex, and fragmented regulatory burden compared to the U.S. and China. This slows innovation and investment by creating excessive red tape, especially for SMEs, hindering Europe's ability to compete on tech, AI, and industrial scale, necessitating a shift to fewer, more effective rules and better policy coordination.

A determined action to strengthen competitiveness is more urgent than ever. Since the beginning of the new legislative cycle, the situation for European companies has changed dramatically. Geopolitical tensions are growing, and security threats are rising, while economic headwinds become stronger - adding to the competitive pressure on European businesses of all sizes. According to BusinessEurope's latest *Economic Outlook*, economic growth in the EU is expected to reach 0.9% in 2025, compared with 2.0% in the U.S. The actions of the new U.S. administration have heightened the urgency for the EU to strengthen its competitiveness. A key challenge lies in labour productivity, where the EU has consistently trailed behind the U.S. over the past decade. As mentioned in the Draghi report, in the period between 2019 and the first half of 2024, the EU enacted approximately 13,000 laws, far more than the roughly 3,000 in the U.S., contributing to the productivity gap, stagnant intra-EU trade (20% of GDP vs. 70% in the U.S.), with many missed opportunities for job creation.

Job quality in Europe is generally good and much better than in other regions of the world. It is demonstrated by the results of the European Working Conditions Survey (EWCS) conducted by Eurofound every few years. In its 6th edition of 2017, the great majority (86%) of respondents in the then EU28 reported being either "satisfied" or "very satisfied" with their working conditions. This percentage has increased slightly since 2000, when 82% rated their working conditions as positive[1]. Furthermore, the preliminary results of the latest, 7th edition of the EWCS, carried out in 2024, show a continuation of this positive trend.

Job quality is a multidimensional and dynamic concept. Assessment of job quality differs not only from individual to individual, but also between different moments of each person's professional life. It is important to take into consideration demands and resources linked to each job and their interplay, as job strain can be compensated with different resources at the worker's disposal and can vary over time.

Social partners must be trusted. Leaving space for social dialogue solutions to further improve job quality where necessary and possible, in accordance with national law and practice, is a preferable approach. It allows for proposing company/sector specific solutions that can be effectively adjusted to different companies' and workers' needs. Hard laws and quotas in relation to social dialogue/collective bargaining ignore the autonomy of social partners, their contractual freedom and the diversity of industrial relations systems across the EU. We strongly oppose the introduction of a mandatory threshold for collective agreement coverage in the Quality Jobs Act as suggested in the Commission's consultation document. Doing so would be the wrong approach to foster a trustful social dialogue

BusinessEurope is not convinced that a proposed Quality Jobs Act tackling so many different issues in one initiative is the right approach. The EU should only act when its actions bring added value and avoid adding complexity to already highly regulated EU labour markets. In particular, it should deliver necessary simplification to facilitate compliance with existing EU legislation, focusing on the Pay Transparency Directive (EU) 2023/970, the Platform Work Directive (EU) 2024/2831, the Transparent and Predictable Working Conditions Directive (EU) 2019/1152, the Working Time Directive 2003/88/EC and the REACH Regulation to give priority to Occupational Safety and Health driven legislation as suggested in the enclosed Annex 1 (concrete simplification proposals in the social field made by BusinessEurope).

Any new EU social legislative proposals in a future Quality Jobs Act should avoid creating additional burdens on companies and fully comply with better regulation objectives and practices. They should be based on a thorough competitiveness check to assess the impact on companies' competitiveness as well as a critical assessment of proportionality and subsidiarity. Failing that, the envisaged Quality Jobs Act will have a negative impact on the attractiveness of the EU as a place in which to invest and will undermine the objective pursued: creating the conditions that will allow competitive companies to create and maintain quality jobs in Europe.

[1] Eurofound (2017), Sixth European Working Conditions Survey – Overview report (2017 update), p. 105.

Specific remarks

The consultation document indicates five areas for a potential EU action: 1/ algorithmic management (AM) and Artificial Intelligence (AI), 2 /occupational safety and health, 3/ subcontracting, 4/ Just Transition and 5/ enforcement and the role of social partners.

BusinessEurope presents below the approach it recommends and the specific pitfalls to be avoided in each of these five areas.

1. Algorithmic management (AM) and Artificial Intelligence (AI) at work

The Commission rightly underlines that, with the AI Act, the GDPR, and existing labour and social legislation, the EU already has a comprehensive regulatory framework governing algorithmic management (AM) and the use of AI at work. Facilitating the development and deployment of AI in Europe is of crucial importance for future European growth, innovation and productivity, and therefore for the creation of quality jobs. Introducing additional legislative requirements is not necessary. BusinessEurope therefore welcomes the consultation document's emphasis on effective implementation and enforcement of existing EU protections, as well as on further clarification and simplification of existing provisions, as a key focus of any potential EU action in this field. We are convinced that any initiative creating obstacles to deployment of AI at the company level will lead to missed opportunities to improve Europe's innovation and competitiveness.

What we propose

To facilitate the deployment of AI tools at work in full compliance with existing EU legislation, it would be useful to develop a tool regrouping the different existing legal requirements [2] to be complied with when deploying or using AI or algorithmic management at work. Furthermore, to ensure that entrepreneurs and workers are equiped with the necessary skills to reap the benefits of using AI tools at work, future EU action should support private and public investments in skills development. Lastly, introducing measures that lower barriers for SMEs to invest in and deploy AI tools in the workplace by keeping compliance costs to a minimum and simplifying digital guidance will be of pivotal importance.

What we warn against

Proposing new unnecessary legal requirements can only delay AI development and deployment in Europe. It does not fit with the announced simplification goal. The Commission has set the direction with the Digital and Data Omnibuses. Imposing additional legal requirements would be highly counterproductive for the ongoing simplification and may compromise the gains obtained by these two legislative packages. Furthermore, such new legislation would lead to increasing the gap in

[2] Here is the list of key EU laws already governing use of AI in the workplace: General Data Protection Regulation (GDPR); AI Act Regulation; Information and Consultation of Employees Directive; Framework Directive on Safety and Health at Work; Working Time Directive; Directive on Transparent and Predictable Working Conditions; Platform Work Directive; Work-Life Balance Directive, Employment Equality Directive; Equal Treatment Directive.

productivity growth between Europe and other regions in the world in a situation of growing global competition. Ultimately, the capacity to finance our social model will be undermined. It will also be a missed opportunity to improve job quality. The Eurobarometer survey on AI shows that 62% of Europeans perceive the use of robots and AI at work positively and 70% believe it improves productivity. Moreover, various EU-OSHA studies along with work of the European Disability Platform show that AI has a great potential to reduce health and safety risks at work as well as to facilitate professional activity of persons with disabilities by making reasonable accommodation easier to provide and cheaper.

The Platform Work Directive, which is over-prescriptive and was designed for a very specific type of companies, cannot be the benchmark for a future EU legislative initiative on AI or algorithmic management at work. Moreover, algorithmic management is already firmly embedded in corporate workflows extending beyond AI applications. Introducing new regulations would disrupt these well-established processes.

2. Occupational safety and health

The Commission rightly states that there are practical challenges and difficulties related to carrying out risk assessment when workers work outside employers' premises. We therefore support a thorough revision and simplification of both the Workplace Directive and the Display Screen Equipment (DSE) Directive to address this issue in an effective manner. These Directives have been agreed in a very different world of work. They must be adapted to take into account the realities of today's workplace. The guiding principle of this revision should be simplicity and proportionality between employers' obligations and their means of influence over the workplace. The legal restrictions concerning access to „off-premises" workplaces should be taken into account. Only principle-based, flexible framework provisions can ensure both worker protection and practicable implementation of both directives.

What we propose

We **support** a **revision and simplification** of both **the Workplace Directive** and **Display Screen Equipment Directive**. However, instead of focusing on introducing new prescriptive and detailed obligations, this revision should be future-oriented and provide a clear and simplified framework for rights and obligations for both employers and workers. The revised rules should be easy to implement and enforce at the national level.

We would therefore support **the merging of both directives into one single directive**, by incorporating the most critical elements of the DSE Directive into the Workplace Directive where scientific evidence establishes a clear causal relationship between the risk and negative health outcomes for the worker. This should include a clarification that the obligation on employers to perform risk assessment regarding all risks in the workplace, under the OSH Framework Directive, also covers psychosocial and ergonomic risks. The Framework Directive contains provisions defining the responsibilities of workers. It would be useful to re-iterate them, especially in cases where employer has no legal control (such as the private property of the worker). Moreover, the revision should clarify that the issues of heat at work and mental health

are already regulated by the Workplace Directive. BusinessEurope is convinced that any outstanding challenges related to these topics should be addressed through technical guidelines.

What we warn against

The potential revisions of the Workplaces Directive and the DSE Directive raise fundamental legal, practical, and social questions that go far beyond economic cost considerations.

The Commission should take into account the legal feasibility, proportionality, and the preservation of flexible work arrangements that suit both employee and employer when reflecting upon potential future EU actions.

The annexes of both directives are very detailed and leave no margin for national implementation or sectoral adaptation. Such excessively strict obligations could make it impossible for many employees to continue working from home or outside employers' premises in general due to unreasonable costs and legal uncertainty. This would effectively reduce access to telework and other forms of working outside employers' premises (such as agile work). Rather than leading to a win-win outcome, it would lead to a lose-lose situation.

Going forward, the key concerns of employers that need to be taken into account are the following:

- Liability for health and safety when work is carried out in private homes and other locations outside employers' premises as the employer has no right to access those locations.
- Obligations (e.g., fire safety or adjustable desks) that are practically impossible to fulfil in domestic environments and, in general, in places over which employers have no legal control.
- Individualised risk assessments for identical or similar tasks in millions of workplaces - a level of micromanagement never required before initiating off-premises work.

Reflection on the right to disconnect

The right to disconnect appears in the Commission's consultation document as an element of job quality and as means to address potential psychosocial risks linked to overconnectivity.

BusinessEurope recalls its position from the reply to the 2nd phase consultation on a possible action in the area of telework and workers' right to disconnect submitted to the Commission in October 2025.

- Workers are not expected to engage in work-related activities after working hours, which can be derived from the applicable working time laws. The right to disconnect is about proper implementation of the existing relevant EU and national laws, and not about creating a new right.
- Wide-spread use of different ICTs tools requires responsible handling of connectivity both in private and professional settings.

- Employers cannot be held responsible for using professional equipment for private reasons outside working hours. Awareness raising and training is the best way to equip workers with relevant knowledge and tools to manage their connectivity responsibly.
- Arrangements shaping the practice of work connectivity should be flexible enough to ensure seamless functioning of enterprises. Reconciliation of companies and workers' needs is best done at the company level as this is where appropriate solutions/practices can be designed.

3. Subcontracting

BusinessEurope welcomes that the Commission recognises subcontracting as a legitimate business model that gives companies access to specialised expertise and facilitates innovation. The Commission rightly acknowledges that subcontracting allows companies to effectively adapt their operations to changing business environment, which is a condition of their competitiveness. Subcontracting is also important for SMEs as it enables them to participate in contracts for which they would not qualify otherwise.

Comprehensive legislation already exists at EU level to protect workers in subcontracting situations. For example, Article 12 of the 2014 Enforcement Directive on the posting of workers establishes mandatory joint liability in the construction sector. It also allows Member States to adopt even stricter liability rules at national level. In addition, Article 71 of the Public Procurement Directive includes provisions enabling contracting authorities to monitor and control subcontracting entities throughout the supply chain.

What we propose

BusinessEurope believes that problematic situations in subcontracting chains can and should be tackled through better enforcement of existing rules by Member States and national authorities. A system for joint and several liability is already defined in the Enforcement Directive for posting of workers and the Employers' Sanctions Directive.

The answer lies in **strengthening labour inspectorates and other relevant players** in accordance with national law and practice, deterring fraudulent activities and potential abuses through enforcement along with–equally crucial–**promoting best practices** and **guidance for companies** on how to comply with existing legislation.

EU digital tools have an important role to play. They can facilitate compliance with social security requirements in the context of Regulation 883 (e.g., A1 form verification). Rather than introducing parallel or additional enforcement mechanisms, it will be important to integrate these tools with existing national approaches as well as supporting the development of the European Social Security Pass (ESSPASS).

When labour-related challenges are detected in sub-contracting chains in specific sectors, these challenges are the best addressed by the social partners from these sectors. However, Member States and their authorities also need to play their role by ensuring enforcement of the existing legal framework.

What we warn against

Introducing new legal restrictions on subcontracting must be avoided. Any new restrictions risk weakening companies' competitiveness and productivity. The envisaged new restrictions would also interfere with the freedom to conduct business as guaranteed under Article 16 of the Charter of Fundamental Rights of the EU and undermine legal certainty.

Several and joint liability can conflict with national industrial relations models, as it would require legislating on wages and working conditions which, in many Member States, are set by social partners. Introducing further joint liabilities in subcontracting chains would also significantly increase costs for contractors who would need to insure against potential claims concerning subcontractors.

4. Just Transition

European companies and workers manage transitions every day. These transitions are caused by different factors but are essential to innovate and develop more productive business-models, that will become the foundation for European jobs and wealth in the future. Stagnation leads to decline, less growth and less employment. Transitions are essential for ensuring business viability and competitiveness. It is impossible to force viable economic change through legislation.

The Commission rightly observes that the twin transition towards a green and digital economy pushes companies to introduce new technologies, change their production processes or service provision. Paradigm shifts, such as moving away from fossil fuels, prompt deep structural changes and may result in large-scale restructuring. Faced with these changes, employers need to act quickly as delayed restructuring processes generate significant financial costs, weaken companies' competitiveness, and increase adverse social consequences.

A comprehensive EU approach to Just Transition already exists. The European Quality Framework for Anticipation of Change and Restructuring was adopted in 2013. The Council adopted its Recommendation on ensuring a fair transition towards climate neutrality in 2022. The EPSCO configuration of the Council addressed the implementation aspects of this recommendation in November 2023. There are also targeted EU-wide financial mechanisms supporting green transition. The Just Transition Fund amounting to almost EUR 20 billion in 2020-2027 is meant to address employment and skills challenges in the regions most impacted by the decarbonization efforts. The Social Climate Fund should mobilise at least EUR 86.7 billion over the 2026-2032 period based on the Social Climate Plans submitted by Member States.

The Commission also correctly observes that the EU *acquis* provides a solid basis for workers' involvement at company level, including in anticipation and management of change. There are four comprehensive directives guaranteeing involvement of workers at the company level and protecting their rights (Directive 2002/14/EC on informing and consulting employees, Directive 98/59/EC on collective redundancies, Directive 2001/23/EC on safeguarding of employees' rights in the event of transfer of undertakings, businesses or parts of them, the revised Directive (EU) 2025/2450 on

European Works Councils). The 2025 revision of the EWC Directive further reinforced the information and consultation rights of employee representatives in large multinational companies operating in the EU, adding significant new obligations for employers.

What we propose

Existence of competitive companies that can afford investment in new technologies and human capital is a prerequisite for making the green transition a just one. BusinessEurope believes that only a **non-legislative approach can support effective application of the already existing regulations**. BusinessEurope is not alone: in March 2025 and in January 2026 the European Parliament rejected the call on the Commission to present a proposal for a directive for a Just Transition.

In its consultation document, the Commission indicates that enforcement of existing rules and/or effective application of supportive frameworks is still insufficient. A report is planned for the first half of 2026 on implementation, scope and effectiveness of the three existing directives (on information and consultation, on collective redundancies and on transfer of undertakings). It should focus on identifying and assessing national implementing measures and case-law. Additionally, a study on corporate restructuring practices in the EU from the perspective of the Startup and Scaleup Strategy is planned. It should provide information on how to support innovation as well as what are the barriers for companies embarking on scaling up their operations and/or innovating.

A comprehensive guidance on Just Transition indicating relevant legal regulations and different available EU funding (Just Transition Fund, National Climate Funds) could be useful. It could be completed by an optional Annex on national approaches (best practices that can be a source of inspiration).

What we warn against

Challenges related to transition differ depending on the sector of activity, business model, stage of organizational development, regional and/or national context, etc. What companies need is supportive frameworks that help them in their efforts rather than additional 'one-size-fits all' legislation that will slow them down and drive-up costs for these transitions.

The Commission should take the following aspects into account when reflecting upon their potential future action:

- The main legislative framework for the green transition is already in place; an unprecedented number of legislative initiatives has recently been adopted under the Green Deal, including the "Fit for 55" package.
- Accompanying the management of the green transition is more effectively done in Member States as it requires diverse national approaches designed for the local/sectoral context.
- Climate ambition must go hand-in-hand with competitiveness. Economic growth and strong industries are the basis for creating and maintaining jobs as well as financing adequate and sustainable national social protection systems.

The green and digital transitions affect both workers and employers, who have different roles and responsibilities. Employers are responsible for running businesses and generating financial resources to invest for the future and cover the cost of current operations, including payment of workers' wages. Workers perform work to the best of their abilities and are renumerated for this. There is a highly developed EU legal framework governing workers' involvement at company level, which also governs these transitions. While fully appreciating the role of workers and workers' representatives in managing restructuring as stipulated by the EU *acquis,* BusinessEurope opposes any mandatory approach to social dialogue and collective bargaining as this would be interfering with social partners' autonomy to engage or not in the dialogue and/or negotiations

5. Enforcement and the role of social partners

The Commission rightly observes that the EU provides for a strong protective legal framework for workers. This comprehensive framework must be applied, and social partners can support effective application of existing rules if given the necessary space to do so.

BusinessEurope welcomes the importance that the Commission attaches to the implementation of the Social Dialogue Pact and to social dialogue in general. The Council Recommendation on strengthening social dialogue in the EU encourages Member States to effectively promote social dialogue and support collective bargaining. BusinessEurope believes that the focus needs to be put on implementing the Commitments made by the Commission in the Pact for European Social Dialogue as well as this Council Recommendation at appropriate levels, fully preserving voluntary nature of social dialogue, social partners' autonomy, and respecting the diversity of national industrial relations systems across the EU.

What we propose

Clarity and simplicity of regulation are key components to facilitate compliance. Duplication, ambiguity and confusion around the scope of legal obligations, undermines compliance by companies.

Labour inspectorates play an important role in ensuring effective application of existing rights in accordance with national law and practise. Enforcement should remain strictly within Member States' competence; EU should support Member States in their efforts, for example by facilitating exchange of best practices between national authorities. The Commission indicates that inspections work best when they combine sanctions with guidance, training and awareness-raising. BusinessEurope welcomes this wider and more "pedagogical" approach as such "smart inspections" facilitate compliance. "Smart inspections" also change the image of labour inspectorates from being a "hostile prosecutor" to "supportive teacher". We welcome a potential EU action aimed at **strengthening capacity of labour inspectorates** as well as effective inspections. As already stated, enforcement in Member States is key to tackle fraud. Adding another layer of legislation does not help.

The Employers' Sanctions Directive gives Member States the flexibility to design different approaches to achieve its objectives. It allows them to consider national

specificities concerning the labour market, the prevalence and consequences of illegal employment and migration, and the severity of any violations. This is a good approach as any actions towards employers need to be targeted and proportionate.

Ahead of the proposal to revise the mandate of the European Labour Authority (ELA) announced for 2026, BusinessEurope underlines that it is essential that **any revision of ELA's mandate respects Member States' prerogatives** as well as competences and retains the voluntary nature of inspections. In this context, ELA should play a facilitating role rather than an initiating role in inspections. Moreover, concerted and joint inspections need to be conducted in a targeted way and always at the initiative of the Member States concerned.

BusinessEurope believes that it is important to **understand the reasons for the lack of compliance.** These often reveal how complex and difficult the rules are to understand, especially for SMEs. BusinessEurope also sees a potential to improve effectiveness of inspections using digital tools, such as the eDeclaration for the notification of posting of workers.

Finally, **agreements between social partners** should be preferred to additional EU legislation, as social partners are best suited to address national and sector-specific needs.

What we warn against

Recently, policy initiatives in the EU social area are often based on individual cases of abuses which are then assumed to be a common practice, even when this is not the case in reality. BusinessEurope stresses that undeclared and under-declared work are abuses that should be eliminated. The ELA Undeclared Work Platform and its multiple strands of work (exchange of national practices, studies and toolkits, supporting enforcement) are contributing to this objective. At the same time, these cases of abuses must not be used as an argument for enacting new laws that would overlap with already existing ones that are not sufficiently enforced as this will lead to never ending regulatory inflation and will penalize law obeying companies.

As regards the role of social partners, BusinessEurope recalls that they not only help workers become aware of their rights but also support companies in their compliance efforts. Unfortunately, in its consultation document the Commission seems to have focussed only on the support for workers and to have missed the companies' perspective.

Furthermore, the consultation document mixes up the social partners role and the enforcement role of other players. BusinessEurope would support including clauses that provide national social partners with greater scope to act jointly in the transposition and implementation of EU law on matters within their competences. However, we underline that the idea that the "forced" and mandatory collective agreements can replace appropriate enforcement is misleading and inappropriate. Collective agreements work only when the parties freely and autonomously negotiate and conclude them.

The way forward

The Commission has correctly identified issues relevant for modern labour market. Nevertheless, including all these issues in one Act might not be the right approach. If not properly designed, such an Act can bring more damage than support for quality jobs in Europe, as explained above in the General Remarks.

BusinessEurope has indicated on many occasions that the assessment of job quality is a multi-dimensional and complex notion that changes over time for the companies and workers concerned. Eurofound's research has shown that there is an interplay between different dimensions of job quality: different job resources can make up for different job demands. It is neither possible nor appropriate to be prescriptive as to the design of a so-called "quality job".

Any new Commission initiative should begin with a thorough analysis of existing regulations and an assessment of how to simplify them to facilitate compliance and improve their enforcement, particularly through tools that help SMEs understand and meet applicable regulatory requirements.BusinessEurope believes that, in the majority of areas identified in the Commission's consultation document, the existing body of regulations is sufficient. The focus should be on improving enforcement and non-legislative supportive measures to improve understanding and facilitate compliance.

At the same time, BusinessEurope would be in favour of one legal initiative: revision of the Workplace and Display Screen Equipment Directives to simplify them, make them fit for the new world of work and merge them into one Directive.

BusinessEurope would be ready to further explore the possibility of initiating a social dialogue on one or several of the issues mentioned in the Commission's consultation document: on algorithmic management/AI at work, occupational health and safety, right to disconnect, just transition and on enforcement and the role of social partners. Some of these topics could be addressed within the current negotiations of the 8th Social Dialogue Work Programme, if both negotiating parties agree. Others could be addressed in the context of replies to further consultations of the EU social partners by the Commission under article 154 of the Treaty.

In conclusion, the Quality Job Act could lead to a modern approach to EU labour law if it focusses on simplifying the existing robust body of legislation, addresses enforcement challenges through non-legislative supporting measures, and proposes new legislation only when there is a clearly demonstrated need at EU level, following a carefully assessment of the implications for the competitiveness of European companies.

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Annex 1.

BusinessEurope's simplification proposals (social field)

I.	**Employment and social policy**			

1	**Working Time Directive**
	
	Directive 2003/88/EC
		Administrative burdens	• The ECJ ruling in the case C-55/18 (CCOO vs. Deutsche Bank) of 14 May 2019 has introduced an obligation for employers to record the workers' daily working time to document compliance with articles 3, 5 and 6 of the Working Time Directive (daily rest, weekly rest and maximum weekly working time). The obligation was introduced even though the three articles do not contain any such obligation explicitly.
			• Due to the ruling employers have to introduce and manage systems for recording working time that enable accurate measurement and information of daily working time for each worker.
			• Many companies experience working time registration as a burden (e.g., in Denmark alone, this obligation has composed costs on the employers amounting to around EUR 389 million/year):
			  ○ Requirements to implement systems of registration that do not fit workflows in the production
			  ○ Risk of incorrect time registration
			  ○ Time- and skill-intensive administration
			• Moreover, the Directive requires employers to limit the maximum weekly working time to 48 hours within a four-month period. The Directive also contains inflexible rules about rest periods and compensatory rest and definitions of working time even when an employee is resting.
			• Finally, the Directive contains inflexible provisions for night work and annual paid leave.
				• Introducing a new article in the Working Time Directive to clarify and ensure that the Directive's rules on daily rest obligations (Article 3), weekly rest obligations (Article 5) and a maximum weekly working time of 48h (Article 6 b) do not create an obligation for employers to set up an objective, reliable and accessible system enabling the duration of time worked each day by each worker to be measured, thereby rending the ECJ ruling in the Case C-55/18 (CCOO vs. Deutsche Bank) of 14 May 2019 invalid.
				• Extending the reference period for a maximum weekly working time of 48 hours from the current four months to a year.

2	**Posting of workers/A1 forms** Regulation (EC) No 883/2004 ; Directive 2014/67/EU ; Directive 2005/36/EC	Administrative burdens Cross-border regulatory barriers	• Various procedures and different information requirements related to (prior) notification following the requirements of EC/883/2004 and 2014/67/EU often create unnecessary red tape with regards to labour mobility within the single market. • Posting notification (2014/67/EU) via national notification system of the receiving Member State requires many detailed information, i.e. on the service provider, the contact person in the receiving Member State, the posted employee as well as the place, start and duration of the posting – in most cases to be notified individually for each posted employee and/or each posting of the same worker. Multiple notifications, i.e. in case of posting a group of workers to the same company, is not possible. • Submitting various documents, often including the employment contract, pay slips and timesheets. In most cases, these must be translated into the official language of the receiving Member State. • Many Member States have also introduced additional information requirements at national level: VAT identification number (FR, AT), social security number (AT), professional qualification (FR), fiscal code in destination state (IT, LUX), A1 certificate (FR, LUX), beginning of the employment contract (AT). • In some Member States, additional documents must also be submitted: health certificate (FR, LUX), copy of A1 certificate (FR, AT, IT, LUX). • Reporting and notification obligations under Enforcement Directive and Regulation (EU) No 883/2004 overlap. • A German study on quantifiable regulatory burden from posted workers directive in combination with A1 portable documents calculated the costs for applying an A1 Certificate at company level in four Member States (France, Austria, Italy	• The ongoing revision of Regulation 883/2004 on coordination of social security systems should provide that all business trips together with brief and short-term employment postings are completely exempted from the need to apply for an A1 certificate. To prevent abuse, sectoral derogations should be allowed, for example in the construction industry. • In parallel, the further development of the European Social Security Pass (ESSPASS) would help to reduce the administrative burden faced by employers. • Regarding (2014/67/EU): Effective implementation of an EU-wide digital tool (the so-called eDeclaration") that is to be used by all Member States on the voluntary basis and enables to have an EU-wide system for notifications for the posting of workers and a harmonised list of information requirements. • Abolish legislative separation: The notification obligations under labour law and the application for an A1 certificate under social security law should be merged into one procedure. • Creating "Help Desk" for companies at the European Labour Authority (ELA) where clear and updated information on posting as well as national social security rules would be easily available. • Further work on improving Single National Websites on posting of workers to increase its user-friendliness and coherence of available information. • Ensuring that the current systems for mutual recognition of professional qualifications when posting workers are simplified and the applications for mutual recognition are digitalised. Such an approach of digitalising applications should also be more broadly applied in order to reduce administrative burdens, thereby contributing to the free movement of people and services and make the area more dynamic and reduce waiting times for employers in relation to ensuring mutual recognition of qualifications.

			and Germany) (total economic costs in the examined countries in EUR (2019)): • Austria: 660.000,- • France: 830.000,- • Italy: 1.660.000,- • Germany: 16.720.000,- • A study conducted by the German Foundation for Family Businesses shows that the average processing time for the posting notification per posted worker takes 66 minutes in Austria, 80 minutes in France, 66 minutes in Germany and 71 minutes in Italy. These estimates do not include the time required for legal research on the process and working conditions to be respected, which is estimated to be at least 360 minutes for France in case of reoccurring posting (and up to 1,200 minutes for the first posting to France). Additional costs arise, among other things, from translation obligations.	
3	**Proposal for a Traineeship Directive** COM(2024 132 final	Administrative burdens Excessive adjustment burdens	• The provision of traineeships that focus on learning outcomes towards improving the employability and employment prospects of trainees across the EU. There needs to be a practical, realistic and understandable framework at the national level that does not put excessive and unnecessary administrative burden onto employers. The Commission's proposed Directive would put considerable reporting obligations and burden of proof onto employers, which run the risk of discouraging employers, especially SMEs, from providing traineeship opportunities.	• BusinessEurope is calling on the Commission to withdraw the proposed Directive. • If a complete withdrawal is not achieved then significant improvements are needed to the text in order to ensure an appropriate regulatory context, where schemes already regulated through third parties, such as collective agreements or national law are unbound by new regulatory demands and burdens. Thereby respecting national competences and taking into account the role of social partners within the context of diverse industrial relations systems and education and training practices across the EU.
4*	**Certificate of Professional Competence (CPC)**	Excessive adjustment burdens	• To obtain a Certificate of Professional Competence (CPC), which is a 140 or 280 training course, it is mandatory to work as a driver for buses, coaches and trucks. CPC only exists in the EU and can only be obtained in EU Member States. While	• Facilitating the employment of non-EU professional drivers through an adequate EU legal framework recognising third-country professional driving licences and competence certificates.

	Directive (EU) 2022/2561		CPC is important, it acts as a barrier when looking for drivers from third countries for the road transport industry. • Both the requirement of this mandatory certificate to carry out the activity and its lack of recognition by third countries, as well as the fact that the course and exam cannot be taken outside the EU, hinder the admission of drivers from third countries, further exacerbating the shortage of skilled labour and aggravating the problem compared to other sectors that also suffer from a lack of skilled workers but whose requirements of access to the profession are not limited by European regulation.	• Increase the flexibility of the requirements to allow the training and exam to take place outside the EU (for instance, at embassies).
5	**Pay Transparency Directive** Directive (EU) 2023/970	Administrative burdens Cross-border regulatory barriers Excessive adjustment burdens	• Article 6.2 provides that Member States may exempt employers with fewer than 50 workers from the obligation related to the pay progression. By making this exemption optional, the Directive risks imposing disproportionate administrative burdens on SMEs and micro-enterprises. • Due to the overly prescriptive and highly detailed nature of the reporting obligations as set out in Article 9, companies with fewer than 250 workers should not fall under the scope of this article in order to avoid substantial administrative and financial burden. • The practical implementation of a single source establishing the pay conditions and the related expectation that employers should enable comparisons with hypothetical workers under Article 19 creates many concerns for employers. This is a clear example of the excessive burden stemming from a legal provision that is at odds with the practical HR challenges faced by employers. Moreover, the single source concept would significantly reduce the flexibility for both employers and workers to negotiate wages which reflect local or sectoral realities, including varying cost of living standards, degree of job mobility, scarcity differentials, and employers taking into account and rewarding individual employee performance.	• Article 6: All companies with fewer than 50 employees should be excluded from the scope of this article without making this optional for the Member States, as is currently set out in article 6.2. • Article 9: ○ The scope of this article needs to be changed to exclude all SMEs with less than 250 workers from the reporting obligations. ○ A presumption of appropriateness should be included according to which a reference to the relevant collective agreement is sufficient in case of undertakings adhering to collective agreements. This presumption of appropriateness should not only cover reporting on pay gap in Article 9 but also employee right to information as set out in Article 7. ○ The reporting requirements under this article should be fully aligned with the reporting obligations stemming from the CSRD (e.g., disclosure requirement ESRS S1-16) to make sure that companies can streamline their actual reporting processes and make use of the same information in compliance with both directives at once.

			This would also fundamentally change the decentralised wage-setting system that many Member States maintain to more rigid and centrally set wage systems, which will have substantial effects on the competitiveness and attractiveness of a company.	○ The reporting on the pay gap between female and male workers (Article 9) should be limited to the gender pay gap only (Article 9.1.(a)) which is the most relevant information with regards to the "principle of equal pay", while significantly reducing the extremely detailed reporting and assessment obligations required. • Article 19: It is important to limit employers' obligation to assess whether workers are in a comparable situation to circumstances that are under the control of employers. The single source requirement should be deleted and replaced with an article making it clear that employers are only bound to compare workers working for the same company/organisation.
6	**Pay Transparency Directive** Directive (EU) 2023/970	Administrative burdens Cross-border regulatory barriers Excessive adjustment burdens	• Without a presumption of compliance, employers adhering to CAs face heavy administrative obligations, including multiple reporting exercises, employee information requests, and joint pay assessments, despite already applying gender-neutral and transparent pay structures: ○ Reproducing pay criteria already established in CAs adds unnecessary work. ○ Employee information obligations under Article 7 would create repetitive tasks. ○ Reporting obligations under Article 9 would duplicate data already available through CA oversight. ○ Conducting joint pay assessments under Article 10 would result in parallel exercises duplicating what social partners already provide. ○ Automatic reversal of the burden of proof under Article 18 would expose employers to litigation risks despite compliance with jointly agreed frameworks. • This approach aligns with national practice, where collective agreements ensure gender-neutral pay and transparency, and with other EU instruments, such as the Directive on	• A presumption of compliance should be introduced for employers adhering to collective agreements that already contain gender neutral job classification and pay structures established by social partners. Under this presumption, a reference to the relevant collective agreement should be considered sufficient to meet the requirements set out in Articles 4.4, 6, 7, 9 and 10. For Article 9, companies covered by the presumption should benefit from a simplified exemption from reporting obligations. In addition, Article 18 should clarify that the burden of proof does not shift automatically to the employer where such collective agreements apply. • Article 6: All companies with fewer than 50 employees should be excluded from the scope of this article without making this optional for the Member States, as is currently set out in article 6.2. • Article 9: Reporting requirements should only apply to companies that meet the CSRD employee threshold and consistency with CSRD reporting modalities should be ensured. Therefore, the reporting requirements under this article should be fully aligned with the reporting obligations

			Transparent and Predictable Working Conditions (Article 4(3)) and the Working Time Directive (Article 18), which allow obligations to be fulfilled or adapted via collective agreements. • In Article 3 the definition of pay remains overly broad and does not align with existing EU Directives, creating unnecessary complexity. • Article 6.2 provides that Member States may exempt employers with fewer than 50 workers from the obligation related to the pay progression. By making this exemption optional, the Directive risks imposing disproportionate administrative burdens on SMEs and micro-enterprises. • Given the overly prescriptive and highly detailed nature of the reporting obligations set out in Article 9, thresholds should be aligned with CSRD. • The data disclosure obligation in Article 12 may lead to the identification of individual pay levels and are inconsistent with GDPR safeguards. Several Member States already apply minimum comparator thresholds in their national systems, demonstrating the necessity of such safeguards to prevent indirectly revealing individual pay levels. • The practical implementation of a single source establishing the pay conditions and the related expectation that employers should enable comparisons with hypothetical workers under Article 19 creates many concerns for employers. This is a clear example of excessive burden stemming from a legal provision that is at odds with the practical HR challenges faced by employers. Moreover, the single source concept would significantly reduce the flexibility for both employers and workers to negotiate wages which reflect local or sectoral realities, including varying cost of living standards, degree of job mobility, scarcity differentials, and employers taking into account and rewarding individual employee performance. This would also fundamentally change the decentralised wage-setting system that many Member States maintain	and modalities stemming from the CSRD to make sure that companies can streamline their actual reporting processes and make use of the same information in compliance with both directives at once. • Article 12: A minimum number of comparative employees should be introduced to prevent individualisation of data. Allow Member States to set the thresholds, as foreseen in existing national practices. • Article 19: It is important to limit employers' obligation to assess whether workers are in a comparable situation to circumstances that are under the control of employers. The single source requirement should be deleted and replaced with an article making it clear that employers are only bound to compare workers within the same employer or undertaking where the employer exercises direct control over pay setting.

			towards more rigid and centrally set wage systems, which will have substantial effects on the competitiveness and attractiveness of a company.	
7	**European Works Council Directive** Directive (EU) 2025/2450	Excessive adjustment burdens	• About 1.000 EWCs exist in the EU, based on individual agreements and practices. • The new definition of "transnational" and extension of competences leads to legal and practical complications (Article 1(1) and (4)): the proposed changes extend the scope of the Directive and risk that matters that in practice are national have to be taken to EWC. This will overburden the companies' structures and make it difficult to differentiate with the competences of national employee representation bodies. There would be a risk of conflicting opinions between the EWC and national employee representation bodies, which will harm the social dialogue. • The changes in Article 8 and in particular the new Article 8a seriously limit the companies' ability to protect confidential information, for instance market sensitive information. The increased risk of leakage of market sensitive information will increase the administrative burden of the companies to ensure compliance with market abuse regulations. The detailed requirements of the information and consultation procedure (new Article 9) will complicate and even impede rapid decision-making in companies. • Existing agreements not protected: The weak grandfathering of Article 14a does not sufficiently respect existing EWC agreements and forces them to change nearly every existing agreement.	• Keep the previous definition of "transnational" (Article 1(1)): No extension of competences of the EWC. • Delete several requirements for the information and consultation procedure (new Article 9) that hinder necessary and unavoidable company decisions, such as mandatory prior procedure and obligatory written reaction for the company management. • Keep the "grandfathering clause" for existing agreements as in the previous revision of 2009. • Safeguard existing agreements: Amendments to existing agreements may only be made by mutual agreement. • Delete changes in Article 8 and the new Article 8a.
8*	**Transparent and predictable working conditions**	Administrative burdens	• In the reformation of the written statement directive, the content of the information to be provided to an employee at the beginning of the employment relationship was extended and the time limit for providing information was shortened compared	• Simplify Article 10 related to minimum predictability of work. • Remove the obligation to give reasoned written response related to transition to another form of employment in Article 12.

	Directive (EU) 2019/1152		to the previous regulation, creating an additional administrative burden for employers. • Also, the information obligations related to minimum predictability of work (Article 10) and obligation to give reasoned written response related to transition to another form of employment (Article 12) imposes an additional administrative burden for employers.	• Simplify Articles 4 and 5 related to the obligation and the timeline to provide information with a view to define one common period of one month of the first working day for providing all information.
9	**Platform Work Directive** Directive (EU) 2024/2831	Administrative burdens	• In particular, transparency obligations in chapter 3 and 4 towards employees and competent authorities risk evaluation obligation and information and consultation obligations create significant additional administrative burden and costs for companies.	• Simplify Articles 10 on human oversight and 11 on human review with a view to reducing the related administrative burdens for digital platforms.
10	**REACH Regulation / occupational health and safety** Regulation (EU) 1907/2006	Administrative burdens	• The REACH Regulation is closely linked to the Directive on the protection of workers from the risks related to exposure to carcinogens or mutagens at work (CMRD) and the Directive on the protection of the health and safety of workers from the risks associated with chemical agents in the workplace (CAD). Both directives govern worker protection from hazardous substances. • However, the lack of coordination between these EU regulations creates complexity for companies, making interpretation and compliance difficult. • The primary concern is the overlap and interaction between the REACH Regulation and the occupational health and safety directives. • This results in parallel, non-harmonised obligations, unnecessary administrative burdens and increased compliance challenges, especially for SMEs.	• Occupational exposure limit values (OELVs) should only be regulated by the respective specific directives – not REACH restrictions – relating to the working environment, leading to clarity and efficient practical implementation by ensuring work environment professionals being aware of the requirements and able to organise training. • This means that all requirements regarding occupational health and safety (e.g., training requirements for working with a given substance) should be removed from the REACH regulation and only be legally based on Article 153 TFEU. *[Further comments on REACH are included in BusinessEurope's position paper].*

Source: based on the BusinessEurope's Omnibook to reduce regulatory burdens.