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

In response to **the 2nd phase-consultation** on a possible EU Quality Jobs Act to improve working conditions, health and safety at work and implementation of workers' rights published on 20 July 2026, BusinessEurope presents its views on **key elements** to be taken into consideration in future Commission's actions.

General remarks on the overall approach to be taken

BusinessEurope recalls that **job quality in Europe is generally high** and the existing labour law and agreements negotiated by the social partners already provide a dense framework protecting workers' rights. Against this background, any future EU initiative must start from a clear recognition that the main challenge is not the absence of EU rules, but the need to facilitate implementation and enforcement by simplifying the existing *acquis.* This should be done preserving the diversity of national labour market systems and social dialogue traditions, which are a cherished feature of our European social model.

The Commission rightly underlines that **only competitive companies can create quality jobs** and that European businesses need to be more digital, more sustainable and more agile to remain competitive. This acknowledgement must be the starting point for the future Quality Jobs Act. Creation of quality jobs in Europe depends on companies' ability to invest, innovate, adapt work organisation and remain competitive. Keeping up with the pace of change requires significant investment by enterprises as well as adaptations in production processes and work organisation to be able to produce in Europe goods and services meeting customers' expectations at competitive prices. These investments are the basis for the creation of quality jobs. The main goal of a future Quality Jobs Act initiative should therefore be to facilitate investment in Europe and support European companies as well as workers in their adaptation efforts. Regulatory stability is a competitiveness factor. Companies need predictable rules to invest, innovate and create quality jobs in Europe. Quality jobs cannot be created by adding further layers of regulation, legal uncertainty or administrative burden.

BusinessEurope appreciates the fact that the Commission refers both to challenges and opportunities to be met in the specific fields in which it envisages to take action. The Commission rightly stresses the **importance of better enforcement** and the **need to simplify** some of existing legislation. Both aspects need to feature prominently in any future initiatives under a Quality Jobs Act. However, BusinessEurope regrets that the Commission seems to over-estimate the value of further harmonisation at the EU level to simplify European social legislation and does not sufficiently underline the importance of applying and respecting the core principles of subsidiarity and proportionality. Differences between national systems reflect legitimate national choices and social dialogue traditions.

Furthermore, BusinessEurope is concerned that parts of the Commission's consultation document point in the opposite direction. Several options appear to assume that further EU legislative action would automatically lead to better protection and simpler rules. This assumption is incorrect. In many areas, additional EU legislation would risk producing more fragmentation, more legal uncertainty and more scope for gold-plating, rather than genuine simplification. Before considering any new EU legislative action, the Commission should demonstrate, on the basis of robust evidence, that there is a genuine regulatory gap which cannot be addressed through better implementation, guidance or enforcement.

The diversity of national labour market systems, industrial relations models and social dialogue traditions is not an obstacle to be overcome, but a core feature of the European social model. Future EU action must therefore fully respect subsidiarity, proportionality, national competences and social partner autonomy.

BusinessEurope appreciates the Commission's continued commitment to reduce administrative burdens by 25% for companies and 35% for SMEs and calls on the Commission to meet these commitments through a coherent approach across policy areas.

The objective of making EU social *acquis* simpler and easier to implement must be at the heart of any future Quality Jobs Act and the Commission should refrain from making any legislative proposals that would compromise this goal. The appropriate way forward is consolidation, guidance, better implementation, targeted enforcement and the removal of obsolete or overlapping requirements — not the creation of new obligations in areas where the lack of regulation has not been demonstrated. The Commission's actions should focus on supporting companies' investments that create quality jobs in Europe, through non-legislative measures aimed at answering implementation challenges and review the existing social *acquis* with a view to merging overlapping regulations or scrapping obsolete requirements.

In view of the diversity of issues that could be addressed in the future Act, BusinessEurope is convinced that **a package of different initiatives** - rather than a single Act artificially regrouping these different issues - would be the best approach.

Moreover, the added value of each envisaged instrument needs to be assessed in the light of its impact on competitiveness, consequences for SMEs and compatibility with the Commission's simplification agenda. Each instrument has to be in line with the Commission's goal of regulatory simplicity. Entrepreneurial freedom must be preserved. Management prerogatives must be respected. Employers' responsibilities must not extend beyond what employers can decide and is within the scope of their control.

Specific remarks on the five areas for potential EU action

The second-phase consultation document indicates five areas for a potential EU action: 1/ algorithmic management (AM) and artificial intelligence (AI) at work; 2/ occupational safety and health at work; 3/ protection of worker's rights in subcontracting chains; 4/ just transitions and 5/ enforcement and the role of social partners.

BusinessEurope presents below its proposals for each of the five areas mentioned in the consultation document and recalls specific points of attention to be taken into account when shaping the envisaged EU instruments.

1. Algorithmic management and artificial intelligence at work

The second-phase consultation document rightly acknowledges the important role that algorithmic management (AM) and artificial intelligence (AI) based tools have to play in increasing Europe's competitiveness, streamlining processes of European companies and ultimately ensuring employers' capacity to offer quality jobs across sectors. It presents an overview of the current legal safeguards provided by the AI Act, the GDPR, and existing labour and social legislation in place at EU level that are applicable when deploying AM and AI tools at the workplace. It puts the focus on implementation and enforcement at the core of future EU actions and suggests a wide array of possible further measures that could be taken at European level to achieve this goal.

What we propose

BusinessEurope is convinced that the option presented in the consultation document, which suggests **non-legislative support in the form of guidance is the only appropriate way forward on AM and AI**. As rightly acknowledged by the Commission, full and consistent implementation and enforcement of the current legal *acquis* is needed to ensure safeguarding of existing protection of workers while allowing the required flexibility for employers to deploy these new tools into the workplace. The concept of algorithmic management must not be defined so broadly that ordinary digital management tools, such as scheduling, task allocation, process planning or quality control systems, are brought within a new EU regulatory framework. Such an overly broad approach would create unnecessary legal uncertainty, discourage the use of productivity-enhancing tools and undermine Europe's digital competitiveness as well as affect long-established and legitimate management practices far beyond the use of AI and create disproportionate uncertainty for companies.

An in-depth evaluation and impact assessment of the existing legislative framework is a minimum requirement before considering any future regulatory action. New insufficiently substantiated legal requirements will only delay AI development and deployment in Europe, increase the compliance cost, widen the gap between Europe and other regions in the world, add to regulatory complexity and undermine implementation. The key to ensure transparency of information and adequate human involvement in the governance of AM lies in developing a tool explaining in an understandable way what needs to be done to comply with existing legislation.

Employers remain fully accountable for decisions taken in accordance with the applicable legal framework. AI tools do not remove existing obligations to comply with non-discrimination rules, due process, data protection, labour law and access to remedies. The priority should therefore be practical guidance on how existing law applies, not new legislation that duplicates or expands the current framework.

Points of attention

BusinessEurope welcomes the nuanced approach put forward in the consultation document acknowledging the very low likelihood of infringing on workers' rights, when AI is used to predict trends as opposed to predicting individual behaviours. However, we caution against shaping the future EU tool on the basis of ill-conceived hypothetical examples, which conflate AI tools with AM tools, or present semi-automated decision-making processes as fully automated decisions.

Any further EU action must be based on robust evidence, clear definitions and a full assessment of the interaction with existing legislation. The Commission's analysis of alleged gaps is not convincing. Several of the examples used in the analytical document point to issues that are already covered by existing EU or national rules, or to situations where the problem lies in implementation, enforcement or legal clarity rather than in a regulatory gap. For instance, workers' information rights, data protection safeguards and human intervention in automated decision-making are already addressed by the GDPR and, where relevant, the AI Act. Information and consultation obligations apply to substantial changes in work organisation; and platform-specific algorithmic management is already covered by the Platform Work Directive. The Commission should therefore not use isolated or hypothetical examples to justify a new horizontal EU labour law instrument on AI or algorithmic management.

BusinessEurope does not support new binding regulation for AI and AM systems in the world of work as it would raise new barriers to the uptake of new technologies in the EU. The EU needs to accelerate uptake of new technologies, not impose barriers, by:

- Taking a data-driven approach to AI at work that recognises the positive attitude of European workers towards AI as well as the different effects - including positive ones - that various forms of algorithmic management and digitalisation can have on working conditions.
- Keeping AI and algorithmic management rules coherent and proportionate as well as avoiding expanding the scope of the GDPR or AI Act outside of their existing appropriate frameworks and without following a proper impact assessment.
- Recognising that the use of AI or algorithmic management tools does not change employers' existing responsibilities and accountability to comply with legal requirements such as non-discrimination and due process nor does it infringe on workers' rights to remedies and due process.
- Closing the SME AI adoption gap by investing in digital infrastructure and skills to create a business-friendly environment targeted towards AI innovation and scale-up.

Furthermore, any new guidelines should not overlap with the existing or forthcoming ones on the AI Act. They should be of real practical value, particularly for SMEs, and must not seek to further develop employers' obligations.

2. Occupational safety and health

The Commission rightly states that accelerated technological, economic and demographic transformations impact the world of work and create new challenges regarding the protection of workers' health and safety. BusinessEurope agrees that a modernisation and simplification of both the Workplace Directive and the Display Screen Equipment (DSE) Directive is needed to ensure they are easily implementable and remain relevant. Any revision should therefore focus on a clear and realistic framework that supports prevention in practice, avoids unnecessary administrative burdens and takes due account of the limits of employers' control, in particular regarding external premises - over which employer has no control - and weather conditions.

What we propose

BusinessEurope would **support simplification and a targeted modernization in the context of a merger of the Workplace Directive and Display Screen Equipment (DSE) Directive.** However, a merger of both directives can only be considered genuine simplification if it leads to a clearer, more workable and less prescriptive framework. Merely transferring outdated, detailed or overly technical requirements into one new instrument would not reduce burdens. It would simply repackage existing complexity through the merger. A merged Directive should deliver a modernised, clear and simplified framework setting the rights and obligations of both employers and workers. Such a merged Directive should incorporate the most critical elements of the DSE Directive into the Workplace Directive, be based on scientific evidence establishing a clear causal relationship between the risk and negative health outcomes for the worker and avoid overly prescriptive requirements or detailed technical obligations. If this objective is not achieved, the revised rules would neither be future-proof nor adequate to implement and enforce at the national level. This would greatly limit home-working flexibility across Europe.

To ensure **proportionality in employers' responsibilities**, a clear distinction should be made between workplaces under the employer's legal control and the places where the employer does not have such a control. The merged Directive should recognise that the employer has no right to access, no control over and no power to change or adapt the place where the work is performed when this is done outside the employer's premises (e.g. in the private home of a worker, or any other place). The merged Directive should strictly limit employers' occupational health and safety obligations in such cases to what is achievable, proportionate, and appropriate. They should be clearly defined, covering only obligations that can effectively be fulfilled, such as information and training, health surveillance where necessary.

There should be **flexibility to adjust existing requirements to the specificities of different sectors** to address specific challenges, while avoiding unnecessary burdens for sectors not concerned.

We support the strict clarification that particular OSH risks - most notably work-related psychosocial and ergonomic risks - fall under the existing obligation of employers to conduct a risk assessment as foreseen by the OSH Framework Directive. This clarification should not impose an obligation to carry out specific risk assessments nor prescriptive requirements on how to carry out this general risk assessment, in particular as the supporting impact assessment offers little evidence of health gains from such binding requirements, given the multifactorial causation of psychosocial outcomes.

Points of attention

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. Merging both directives into one simplified and streamlined directive can address many of these questions but only if this merger is based on a general and clear framework of principles. We strongly underline that a merger of these highly detailed and prescriptive directives cannot be considered a simplification nor burden reduction if the underlying material requirements are not simplified. Against this background, it is important to take into account the following key considerations:

- The Commission should consider the **legal feasibility, proportionality, and the preservation of flexible work arrangements** in all EU Member States that suit both employee and employer when reflecting upon potential future EU actions.
- In order to increase the future relevance of the merged directive**, the technical annexes**, which are overly detailed and leave no margin for national implementation or sectoral adaptation, **should be replaced by interpretative guidelines** more relevant for proper implementation. This would also allow the social partners at a national and sectoral level to establish tailor-made guidelines for companies, easing implementation and enforcement.
- **The employers' liability for health and safety when work is carried out in private homes and other locations outside employers' premises is limited** as the employer has no right to access those locations. Employers cannot be required to assess, adapt or modify structural characteristics, layout, lighting, ventilation, temperature, furniture or conditions of use of places over which they have no legal control.
- In relation to workplaces under the employer's legal control, any new or **amended technical requirements should apply only to new workplaces or DSE workstations**.
- BusinessEurope strongly cautions **against introducing too many broad issues under the scope of this merger**. Most notably, introducing new rights and obligations related to issues pertaining to weather-related risks and gender-based harassment at work risks diluting a targeted revision of both directives and overly complicating the development of a simplified framework.

On telework and the right to disconnect

BusinessEurope welcomes that the Commission perceives the existing 2002 EU cross-industry social partners' autonomous agreement on telework as relevant and focuses its reflection on the right to disconnect. Telework is a mutually agreed form of work organisation that must remain voluntary for both employers and workers.

With regards to connecting and disconnecting modalities for workers, the existing EU Working Time Directive and the related national legislation and practice are relevant points of reference. New legislation on a "right to disconnect" is not necessary and would be a source of confusion undermining compliance with the existing legal framework. A more sensible approach would be to see how to enforce these rules to protect workers in a way which is feasible for companies and provides the flexibility workers also need. It is important that any initiative related to the right to disconnect does not hamper the digitalization – and thus competitiveness – of European companies.

3. Protection of workers' rights in subcontracting chains

BusinessEurope welcomes that the Commission recognises subcontracting as a legitimate business model that supports competitiveness, gives companies access to specialised expertise and enables quick adaptations. The Commission is also rightly stressing that subcontracting is important for SMEs as it enables them to participate in contracts for which they would not qualify otherwise. The possibility for highly specialised SMEs to develop their business models and to grow is essential for European competitiveness and must not be hampered by intrusive restrictions.

BusinessEurope is firmly opposed to the introduction of new binding regulation of subcontracting relations, as it would impose increased transaction costs on exchange of goods and services between companies. Chain liability, in particular, will increase such costs.

As indicated in the Commission's second-phase consultation document, there is already an extensive EU legal framework covering subcontracting-related issues. It includes Article 12 of the Posting of Workers Enforcement Directive (2014/67/EU) on liability in the construction sector, Article 8 of the Employers' Sanctions Directive (2009/52/EC), Article 17 of the Seasonal Workers Directive (2014/36/EU), as well as existing EU occupational health and safety legislation. This framework 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. The priority should therefore be to ensure effective implementation and enforcement of these rules, rather than creating new EU obligations. It should be noted that the comprehensive body of EU and national labour law, occupational health and safety, etc. applies to all workers, including those of the subcontracting company.

What we propose

As the **challenges related to subcontracting are largely due to non-compliance**, BusinessEurope is convinced that the policy response should focus on enforcement rather than introducing new liability mechanisms. We believe that problematic situations in subcontracting chains can and should be tackled through better enforcement of existing rules by Member States and national authorities. This requires **strengthening labour inspectorates and other relevant players** in accordance with national law and practice. **Promoting best practices** and **guidance for companies** on how to comply with existing legislation is the way forward for an effective implementation of existing requirements. There are well established examples of sector-specific regulation of subcontracting at national level that have been successfully negotiated through social dialogue. These demonstrate that balanced and effective solutions can be agreed by the social partners, taking into account particular needs of each sector.

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). This requires integrating these tools with existing national approaches as well as supporting the development of the European Social Security Pass (ESSPASS). The focus should be on interoperable digital tools, electronic registers and improved information-sharing between authorities, allowing more targeted enforcement while reducing administrative burdens for compliant companies.

Negotiations of collective agreements play an important role but can only be voluntary. Future EU action in the field of subcontracting will need to respect national labour market models and companies' freedom of association. No obligation to enter into collective bargaining should be introduced. The possibility of taking into account participation in collective bargaining in setting up a future stronger liability regime is misleading as there is no need for stronger liability provisions at EU level in the first instance.

Sectors with undeclared work and highly mobile workers are the ones where the focus by Member States and their authorities is needed to improve trust between companies in the subcontracting chains and ensure better respect of the applicable rules for posted workers, including the third country national posted workers. However, there is no need for common baseline requirements at EU level for high-risk sectors. Identification of high-risk sectors is a controversial idea contested by sectors themselves.

The labour-related issues that have materialised in practice in some sectors in the context of subcontracting chains are best resolved through sector-specific measures developed by the social partners and, above all, by enforcement of applicable rules. This is the best way to ensure that such measures are well suited to the needs and realities of employers and workers across diverse sectors.

Rather than seeking to identify high-risk sectors as such at EU level in a future Quality Jobs Act, the Commission and ELA should support efforts of labour inspectorates and competent authorities at national level to become better equipped with **targeted tools to identify high-risk or previously caught fraudulent operators and focus controls where abuses are most likely to occur**. In cross-border situations, ELA will also have a role to look into problematic cases. However, these actions should be in support of the participating Member States who should remain the main actors in charge of inspection activities in the context of ELA.

Points of attention

BusinessEurope does not support EU-wide legislative measures that would restrict lawful subcontracting practices, such as the strengthening of liability regimes at EU level, as such measures would risk undermining competitiveness, SMEs, contractual freedom, and established national industrial relations systems.

The Commission should better take into account the business case for specialisation, which remains the main overall economic reality, including in view of the negative effects[1]. The high degree of specialisation of smaller companies in the subcontracting chains has proven to be an economically effective way of organising production with benefits for companies of all sizes and their workers (for example by enabling a better use of machinery and employees, greater flexibility, economy of scale, better competition).

- As part of a future **competitiveness check** on possible EU action on subcontracting, it will be key to analyse in depth whether the proposed measures do not hamper healthy competition between companies.

[1] SN study on effects of limiting subcontracting tiers to two, October 2025, see pages 9-12.

- Special attention should be given to **the consequence of proposed actions for SMEs.** The requirements related to liability may have serious impact on their competitiveness and ability to engage in bigger assignments.
- Business reality shows that **subcontracting is a necessary practice to meet customers' demand**. It would be wrong to assume that subcontracting is inherently abusive or primarily a tool for labour-cost reduction as the vast majority of companies working with or as subcontractors are compliant companies, working throughout all sectors in the economy and in all places of the value chains.
- **Subcontracting should not be regulated as a risk category even though abuses in subcontracting chains should be eliminated**. Illegal labour intermediation, undeclared work and fraudulent subcontracting should be tackled through targeted enforcement against actors that do not comply with legislation, not by introducing restrictions that affect lawful subcontracting across the board. The problem is not regulatory gaps but gaps in enforcement.
- **Extending joint and several liability** throughout subcontracting chains **would create legal uncertainty**, shift public enforcement responsibilities onto businesses and disproportionately affect SMEs. Any new liability, registration or compliance obligations should therefore be carefully assessed to avoid creating disproportionate administrative burdens or limiting SMEs' access to markets.
- The Commission must **not overestimate cross-border risks and cost pressures** in subcontracting chains to artificially justify new initiatives.
- The **implementation and enforcement of labour market rules is organised differently across Member States**, reflecting different industrial relations systems and legal traditions. While competent public authorities play the primary role in some national systems, social partners, where they jointly agree so, also play an important role in ensuring compliance, implementation and enforcement. Effective enforcement requires adequate resources, effective inspections and strong cross-border cooperation. EU initiatives should not change the division of responsibilities in national labour markets. They should fully respect the role of social partners and public authorities in national systems.

4. Just transitions

In its 2nd phase-consultation document, the Commission rightly notes that 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 Council addressed the implementation aspects of this recommendation in November 2023. There are also targeted EU-wide financial mechanisms supporting the 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.

What we propose

The existence of competitive companies that can afford investment in new technologies and human capital **is a prerequisite for effective transitions**. Defining appropriate measures supporting these transitions is best done at the company or sectoral level as measures can then be tailored to their specificities.

BusinessEurope believes that the best way forward is to **support employers in managing transitions**, for example in their efforts to offer reskilling and upskilling programmes or to support professional mobility. Workers need to be supported during their time between jobs and supported in their job search and reskilling. At the same time, in a competitive market economy, the need to manage change is constant and companies have to make constant efforts to stay competitive and ensure their technological development and adapt the skills of their workforce. It is therefore counter-productive to create systems that unduly help non-competitive businesses to stay afloat.

Concerning the **protection of workers, anticipation and management of change during restructuring**, the Commission indicates that enforcement of existing rules and/or effective application of supportive frameworks is still insufficient. It also points out at the differences in social dialogue traditions and approaches to collective bargaining. Finally, the Commission indicates that the 2013 EU Quality Framework for anticipation of change and restructuring is not sufficiently known and applied by stakeholders. Once again, BusinessEurope underlines that the application of existing laws and frameworks for effective management of restructuring is crucial.

BusinessEurope agrees that the focus should be on initiatives aimed at **improving implementation and enforcement of existing instruments before proposing new ones**.

A comprehensive **guidance on Just Transitio**n indicating relevant EU legislation and different available EU funding (Just Transition Fund, National Climate Funds) could be useful. It could be complemented by an optional Annex on national approaches (best practices that can be a source of inspiration). Such an Annex could be compiled in cooperation with social partners.

Points of attention

Challenges related to the different types of transitions facing European companies 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** rather than additional 'one-size-fits all' legislation that will slow them down and drive-up costs for already costly transitions.

- **A comprehensive legislative framework for the green and digital transitions is already in place**; an unprecedented number of legislative initiatives has been adopted under the Green Deal and to accompany digitalisation of the Single Market.
- **Accompanying these transitions** is more effectively done in Member States as it **requires diverse national approaches** designed for the local/sectoral context.
- **Employers and workers have different roles and responsibilities**. Involving workers at different stages of restructuring processes is possible. However,

some decisions need to be taken solely by the employer who is responsible for running its business and ensuring its profitability.

- **Social dialogue must remain voluntary**. Effective social dialogue can only be built on the voluntary commitment of the parties involved. Introducing additional legal requirements as part of a mandatory approach to social dialogue and collective bargaining would be interfering with social partners' autonomy to engage or not in the dialogue and/or negotiations and would fail to respect the differing national laws and practices across the EU.

5. Enforcement and the role of social partners

The Commission rightly observes that the **EU provides for a strong protective legal framework for workers**. It also correctly points out that enforcement and implementation of EU law have a central role to ensure a meaningful protection of workers while allowing companies to operate effectively. The role of social partners differs in Member States in accordance with national labour market models and practices. Social partners need to be given the necessary space to play their role in the transposition, implementation and enforcement of existing rules, in accordance with these national models and practices.

What we propose

BusinessEurope believes that it is important to **understand the reasons for the lack of compliance.** They often reveal how complex and difficult the rules are to understand, especially for SMEs.

Clarity and simplicity of regulations are key components to **facilitate compliance**. Duplication, ambiguity and confusion around the scope of legal obligations, undermines compliance by companies and must be tackled.

Agreements between social partners are often preferrable to legislation as social partners are best placed to reconcile employers' and workers' needs. It is essential that Member States can, when the national social partners jointly agree, give the social partners, at the appropriate level and in accordance with the conditions laid down in Member States, the option of upholding or concluding collective agreements which adapt, complement and/or differ from legislation provided that the general level of protection of workers is ensured.

Labour inspectorates play an important role in ensuring effective application of existing rights in accordance with national law and practice. BusinessEurope supports the call for granting additional resources for national labour inspectorates. We believe that strengthening existing institutions – fully respecting national models for enforcement - and improving their functioning should be the first step before considering setting up new bodies. However, we firmly reject the most far-reaching idea of creating new EU rules defining what would be proportionate, effective and dissuasive sanctions by labour inspectorate.

BusinessEurope underlines that **any revision of the European Labour Authority's mandate must respect Member States' prerogatives** regarding inspections **and social partners' competences.**

BusinessEurope sees a potential to **improve effectiveness of inspections using digital tools**, such as the eDeclaration for the notification of posting of workers.

Points of attention

- **Enforcement should strictly respect Member States' competence**. The EU should support Member States in their efforts, for example by facilitating exchange of best practices between national authorities.
- **National and local labour markets specificities should be considered when designing actions to tackle potential abuses**. The Employers' Sanctions Directive gives Member States the flexibility to design different approaches to achieve its objectives. This is a good approach as the actions taken need to be targeted and proportionate.
- **ELA should play a facilitating role** rather than initiating inspections. Concerted and joint inspections need to be conducted in a targeted way and always at the initiative of the Member States concerned in accordance with a specific national labour market and industrial relations models.
- **Individual cases of abuses must not be used to justify enacting new laws** that would overlap with existing legislation that is not sufficiently enforced. Such an approach will lead to never ending regulatory inflation and will penalize law obeying companies.
- **BusinessEurope would support reinforcing the role of social partners** by ensuring that they can, if they jointly agree to do so**, play a central role in implementing directives through collective agreements in accordance with national law and industrial relations systems.** We recall that strengthening enforcement and strengthening collective bargaining are distinct policy objectives and should not be conflated. Enforcement mechanisms differ across Member States and include systems in which social partners play an important role in ensuring compliance and enforcement. EU measures should fully respect national industrial relations systems and their distribution of responsibilities.
- **Collective agreements work only when the parties freely and autonomously negotiate and conclude them**. The idea that "forced" and mandatory collective agreements can replace appropriate enforcement is misleading and inappropriate.

Our take on simplification

BusinessEurope appreciates the Commission's efforts to include simplification objectives in the future Act to ensure it contributes to the goal of reducing of administrative burden target by at least 25% for all businesses and at least 35% for SMEs. We support the reference to the "simplicity by design" principle as well as to the "once-only" principle and simplification through mutual recognition and interconnection.

Following this logic, **the appropriate response should be consolidation, guidance and better implementation of existing legislation, not new EU legislation**. Moreover, legislative action would be premature while the Commission is still gathering evidence on the existence, scale and consequences of several identified challenges to support its actions. Any binding initiative should therefore be supported by a robust evidence base and impact assessment as regards investment, productivity, innovation and job creation. Its impact on SMEs must also be carefully examined and supported by relevant data.

BusinessEurope has made concrete proposals for simplification, which were attached as an Annex to its reply to the 1st stage consultations on the Quality Jobs Act by the Commission in January 2026.

To sum up

Our answers to the 4 questions set out in the second consultation document on the Quality Jobs Act are the following:

[Q1&Q2] What are your views on the objectives of possible EU action set out in this consultation document? What are your views on the possible avenues for EU action set out in this consultation document?

BusinessEurope believes that the fields identified for potential EU actions in the framework of the Quality Jobs Act are relevant for the modern world of work. However, relevance does not automatically justify legislative action at the EU level. A non-legislative approach would be appropriate for AM and AI at work, subcontracting, just transitions as well as enforcement and the role of social partners. For BusinessEurope, a smart merger of the two OSH Directives would be the only relevant legislative initiative that could be realised under the umbrella of the Quality Jobs Act.

[Q3] What are your views on the possible instruments presented in this consultation document?

For BusinessEurope, the Commission correctly perceives **the Quality Jobs Act as complementary to already existing EU rules**. This approach is crucial to guarantee that there are no overlapping legislation and additional regulatory burden.

BusinessEurope counts on the Commission to **carefully examine the appropriateness of each envisaged instrument**, legislative or non-legislative, against its objective.

- **On AM and AI at work**: BusinessEurope supports a non-legislative initiative, such as well targeted technical guidelines to facilitate the application of existing relevant laws.
- **On OSH at work:** BusinessEurope confirms its support to modernizing and merging the Workplace and the Display Screen Equipment Directives to make them fit for the modern world of work along the lines suggested in chapter 2 of the present reply.
- **On subcontracting:** BusinessEurope does not support the idea of introducing additional EU level legislation and is against defining "high-risk" sectors at the EU level as it would stigmatize law obeying operators in sectors potentially classified as "high risk".
- **On just transition:** BusinessEurope underlines that EU action should support companies' capacity to invest, innovate and reskill, not introduce new obligations on restructuring, workforce planning or employment guarantees.

- **On enforcement and social partners:** BusinessEurope recalls the importance of respecting Member States' prerogatives regarding inspections as well as social partners' competences in order to preserve national models for enforcement in which social partners play a central role in ensuring compliance with collective agreements and labour standards.

[Q4] Are the European social partners willing to enter into negotiations with a view to concluding an agreement under Article 155 TFEU on any of the elements set out in this consultation document?

In its reply to the first consultation of the social partners on the Quality Jobs Act, BusinessEurope indicated that it would be ready to further explore the possibility of initiating a social dialogue on one or several of the issues mentioned (algorithmic management/AI at work, occupational health and safety, right to disconnect, just transition and on enforcement and the role of social partners).

During the negotiations of the new EU Social Dialogue Work Programme, which is currently submitted for approval to the respective decision making-bodies of the cross-sectoral EU social partners, BusinessEurope made two successive proposals to the ETUC:

- negotiating a **simplification of the Pay Transparency Directive** (introducing a presumption of compliance for companies adhering to collective agreements);
- negotiating a **carefully calibrated revision and merger of the Workplace and Display Screen Equipment (DSE) directives**, aimed at simplifying these directives by incorporating the most critical elements of the DSE Directive into the Workplace Directive, clarifying that the obligation on employers to perform risk assessment also covers psycho-social and ergonomic risks in order to avoid standalone legislation on psycho-social risks; and making sure that the fact that the employer has no right to access when work is carried out in private homes/ outside employers' premises is taken into account.

BusinessEurope remains open to entering into such negotiations following on the second consultation on the Quality Jobs Act. However, this will only be possible if both negotiating parties agree to do so.

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