Legislation on the posting of workers in Latvia

Elīna Dābola

Latvian Trade union of Public Service and Transport workers LAKRS

PART I

Source:

Natalja Mickeviča, European law and policies expert at Free Trade Union Confederation of Latvia

Legislation

- Labor law
- Cabinet of Ministers Regulation No. 969 «Procedures for Reimbursement of expenses Relating to Official Travels»
- Cabinet of Ministers recommendations Nr. 1 «Recommendations for joint action to ensure posting of workers»

Posting Identification

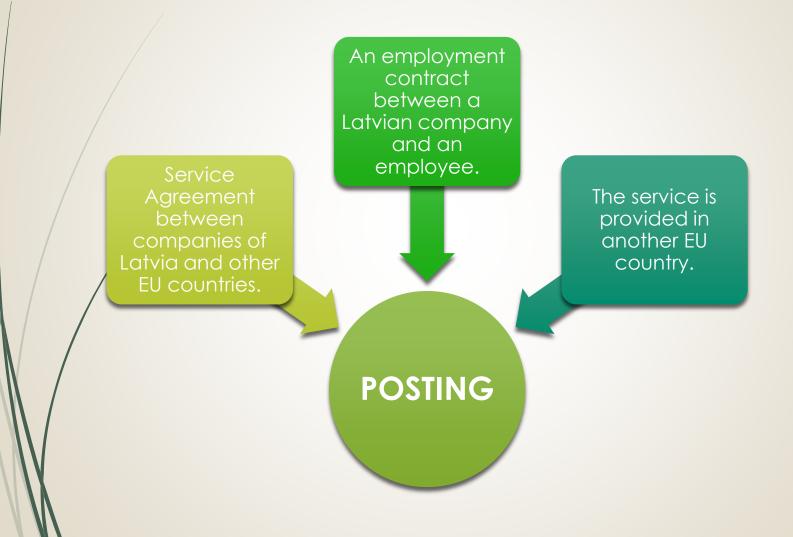
LLow Section 14

1) An employer sends an employee to another country on the basis of an agreement he has entered into with the person in whose favor the work is to be performed;

2) The employer sends the employee to a branch or a company in a different country;

3) An employee of the labor supply service, as an employer, sends an employee to the recipient of the labor supply service in whose favor and direction the work will be carried out if the company is located in another country or it carries on business in another country.

Posting Identification



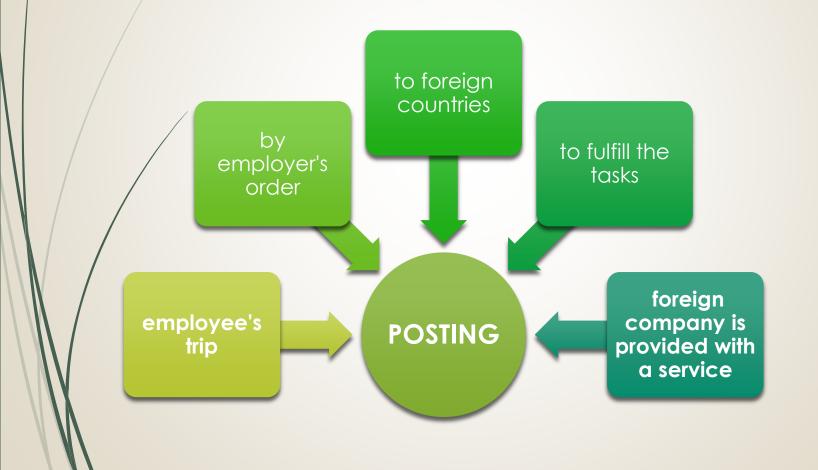
Posting Identification: Posting or a business trip?

Regulation No. 969 :

2. An official travel shall mean a journey of an employee approved by a written order of the head of the organisation which is sending him or her, on official travel for a specific time to another populated area in the Republic of Latvia or to a foreign, as well as from foreign states to the Republic of Latvia (if the permanent place of employment of the employee is in a foreign state), in order to:

- 2.1. perform the work or service tasks; or
- 2.2. improve knowledge and raise the qualification

Posting Identification: Posting or a business trip?



Posted employee

A posted worker is defined as 'a person who, for a limited period of time, carries out his or her work in the territory of an EU Member State other than the state in which he or she normally works'

(Council Directive 96/71/EC)

Temporary period on secondment

Continuous working relationship



LLow **Section 14.**^{1.} - to guarantee second-country employment regulations for:

- 1) maximum working time and minimum rest period;
- 2) minimum annual paid leave;
- 3) minimum wage rate, as well as supplementary payment for overtime work;
- A) provisions regarding securing a workforce, especially with the intermediation of work placement services;
- 5) safety, health protection and hygiene at work;

6) protection measures for persons under 18 years of age, for pregnant women and women during the period following childbirth, as well as the provisions of work and employment of such persons;

7) equal treatment of men and women, as well as prohibition of discrimination in any other form.

Regulation No. 969

8. The following expenses for the duration of an official travel shall be reimbursed to an employee:

8.1. daily allowance in order to compensate additional expenses occurring during the official travel (for example, for catering, different services);

8.2. travel (transport) expenses (if corroborative documents confirming the relevant expenses have been submitted);

8.3. expenses for carriage of the baggage;

8.4. expenses for a hotel (lodgings), including expenses for breakfast in the hotel

8.5 expenses during the official travel for parking space and entering territories with a specified fee and for the use of toll roads and bridges;

8.6. expenses which are related to the drawing up of travel documents;

8.7. the commission fee for a bank institution;

8.8. expenses for passages performed;

8.9. travel expenses in the public transport of the relevant state (also taxis) shall be reimbursed in an amount not exceeding 30% of the total amount of the daily allowance determined for all days of the official travel;

8.11. expenses which are related to the purchase of an insurance policy for the employee for the period of official travel;

Payment of daily allowance Llow Section 14.²

The daily allowance of an official trip which is related to the relevant posting shall be deemed a part of the minimum wage, if it is provided for in the provisions of such state to which the employee has been posted to perform work.

Other remuneration which is related to covering of actual expenses is not deemed a part of the minimum wage.

Where to look for information?

http://ec.europa.eu/social/main.jsp?catId=471&langl

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Moving & working in Europe	Posted workers What is posting?	News & Events		
Washing in particular Ell country	A "posted worker" is an employee who is sent by his employer to carry out a	News Events		
Working in another EU country	service in another EU Member State on a temporary basis. For example, a service provider may win a contract in another country and send his employees there to carry out the contract. Posted workers are different from EU mobile workers in that they remain in the host Member State temporarily and do not integrate in its labour market. On the contrary, EU mobile citizens who go to another Member State to seek work and are employed there, are entitled to equal treatment with nationals in access to employment, working conditions and all other social and tax conditions.	Videos		
Free Movement - EU nationals				
Non-EU nationals		Related Documents		
Posted workers		Posting of workers - Report on A1 portable documents issued in 2015		
Single national websites on posting and contacts				
National liaison offices and authorities		Communication on the proposal for a Directive amending the Posting of		
● Former - bunch of apperts (2003-2013)	Rights and rules for posted workers The EU law defines a set of mandatory rules regarding the terms and conditions of	Workers Directive, with regard to the principle of subsidiarity		
EU Social Security Coordination	employment to be applied to posted workers	Study: The Economic Value of Posting of Workers - De Wispelaere,		
	 to guarantee that these rights and working conditions are protected throughout the EU to quid "general dumping" where foreign conies providers conjugate the top of the set of the test of the set of the test of the set of the test of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set of the set	Pacolet (2016) Pacolet (2016) Posting of workers - Report on A1		
Network of experts on statistics	 to avoid "social dumping" where foreign service providers can undercut local service providers because their labour standards are lower. 	portable documents issued in 2014		
	These rules establish that, even though workers posted to another Member State	Proposal for a Directive of the		

Where to look for information?

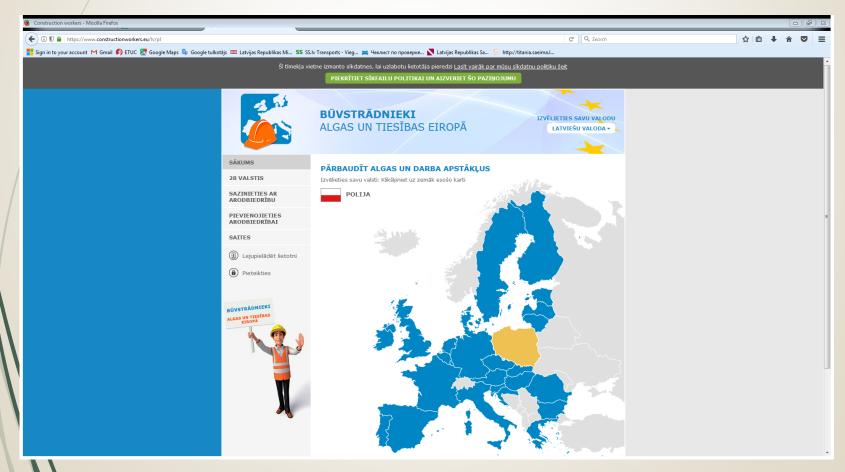
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Where to look for information?

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Where to look for information?

https://www.constructionworkers.eu/lv/pl





To inform the SLI

- Posted workers
- Work place in Latvia
- Posting time
- recipient of the service
- Confirmation of employment relationship.
- Employer's Representatives

To determine the representatives

- Representative in state institutions and in court.
- Representative for collective bargaining.

Keep the documents

- Employment contracts.
- Payroll calculation.
- Working time tracking.
- Proof of salary costs.

Thank You!

Questions?



Towards protection of posted workers

Sintija Volinko, Legal adviser at Labour Law Unit of State Labour Inspectorate of Latvia Phone + 371 67021765, Mobile phone + 371 26748597 <u>Sintija.volinko@vdi.gov.lv</u>

19.10.2017. Gdansk, Poland



Legal framework

- Directive 96/71/EC
- Labour Law
- Directive 2014/67/EU
- Cabinet of Ministers Regulation to ensure joint action and cooperation between national authorities in the scope of posting of workers
- Latvian Administrative Violations Code
- Civil Procedure Law



State Labour Inspectorate of Latvia and posting of workers

- Implementation of State supervision and control in the field of employment legal relationships and labour protection.
- Internal Market Information (IMI) system.
- Participation in various projects and conferences in the field of posting of workers.







> In 2014 State Labour Inspectorate of Latvia received information about **140** posted workers to perform work in Latvia although The State Social Insurance Agency received **686** A1 Certificates.

> In 2015 State Labour Inspectorate of Latvia received information about **16** posted workers to perform work in Latvia.

In 2016 State Labour Inspectorate of Latvia has received information about **22** posted workers to perform work in Latvia.

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Posted workers

State Labour Inspectorate of Latvia don't know the real amount of posted workers to perform work in Latvia.

State Labour Inspectorate of Latvia don't have any information about posted workers from Latvia to other EU countries.

The State Social Insurance Agency issued <u>5086</u> A1 certificates in 2013 and <u>4654</u> A1 certificates in 2014.

! Natioanal agreement The State Social Insurance Agency on the exchange of information.

2



Internal Market Information (IMI) system

+ Facilitates communication with other Member States competent authorities (easy to find, standard questions and translation of answers).

+ Opportunity to add your own questions and answers in free text.

+ Received documents and information can be used as evidence in the case.

+ System provides protection of personal data (a secure environment for the exchange of personal data).



Internal Market Information (IMI) system

- Different competences of Member States authorities.
- Attachments are not translated.
- Incorrect or incomplete requests.
- In some cases it can take longer time to do inspection and reply to IMI request (employer is not cooperating, «letter box companies»).
- Can't see personal data and attachments before request is accepted.

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Requests in Internal Market Information (IMI) system

2014:

Requests received – 8 (Norway, Belgium, Bulgaria, Finland) Requests sent – 3 (Germany, United Kingdom, Poland)

2015:

Requests received – 9 (Norway, Belgium, France, Slovakia, Germany) Requests sent – 7 (Estonia, Croatia, Germany, Norway, Poland)

2016:

Requests received – 13 (France, Finland, Belgium, Estonia, Lithuania) Requests sent – 2 (Estonia, Norway)

2017:

Requests received – 7 (Belguim, France, Estonia, Denmark, Romania) Requests sent – 3 (Poland, Belgium)

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Problems

- No common understanding about posting of workers.
- Lack of knowledge, training and experience of inspectors to deal with cases involving posting of workers.
- Bound to prove the infringement and collect evidence to rule out doubts.
- Investigation and registration of accidents at work with posted workers.
- Cross-border enforcement of financial administrative penalties and/or fines.



Problems

- Low public awareness level on posing of workers (including employers and employees).
- New schemes that hinder investigation of cases involving posted workers (registration of company in another country, «letter box companies», official travel).
- Cooperation between Member States competent authorities (slow, lack of information and evidences).



Transposition of Directive 2014/67/EU

Regulation of Cabinet of Ministers to ensure joint action and cooperation between national authorities in the scope of posting of workers:

- Obligation to other national authorities to cooperate and provide necessary information to State Labour Inspectorate.
- Identification of a genuine posting and prevention of abuse and circumvention regulations.
- Establishes official website where terms and conditions of employment and which parts of national law are to be applied to workers posted to Latvia can be found. (<u>http://www.lm.gov.lv/text/3413</u>)
- Sets provisions about informing about decisions and enforcing imposed administrative penalties and/or fines in cross-border situations through Internal Market Information (IMI) system.

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Points for discussion

- Control of posted workers and foreign companies in general (experience, problems)
 - Language issues
 - Letter box companies
 - Application of fines
 - Working conditions (labour protection, minimum wages, colective agreements e.t.c.)
 - Third-country workers



Thank you!

Sintija Volinko, Legal adviser at Labour Law Unit of State Labour Inspectorate of Latvia Phone + 371 67021765, Mobile phone + 371 26748597 <u>sintija.volinko@vdi.gov.lv</u>

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