

## **The European Commission plans to reform the Directive on the posting of workers**

The European Commission submitted its proposal for an amendment of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services.

The proposed reforms aim at facilitating the cross-border posting of workers, by creating fair remuneration terms and ensuring fair competition for both posting and host member states.

The proposed amendments will introduce changes in three key areas: the governing laws applicable to long duration posting assignments, the rules applicable to remuneration, and the rules applicable to temporary workers hired-out by temporary agencies.

The most important change within these three areas is the one related to remuneration. While the current rule imposes that the minimum wage in force at the host country must be applied to the posted worker, the amendment proposes the application of all constituent elements of remuneration generally applicable to workforce employed in an identical position in the host country, in addition to the minimum wage.

The provisions on the governing law applicable to postings for a period longer than 24 months, i.e. long duration posting assignments will also change. For such assignments, the laws of the host member state shall be applied instead of the laws of the posting country, provided that the first is more beneficial for the posted worker.

In addition to the above, amendments are made to the rules applicable to temporary workers hired-out by temporary agencies and to subcontractor contracts.