

European Federation of Building and Woodworkers



## Project FELM - "Better Functioning of the European Labour Market" Final Conference

The European Social Partners of the construction sector, EFBWW and FIEC, held the Final Conference of the EU-funded project *"The Future of the European Labour Market in Construction"* (FELM). The goal is to assess the effect of the increased number of third country national (TCN) companies and workers in the labour market of the construction industry.

In the recent years, an increase in the presence of non-EU companies and non-EU workers has been observed in the EU construction industry. This emerging trend – which is fed, amongst others, by the shortage of skilled construction workers in European countries – has created some new significant challenges for the European and national Social Partners of the construction sector.

## 6 project case studies to collect evidence

The FELM project (*"Future of the European Labour Market* in Construction") was conceived to understand these new developments and collect the evidence basis for sharing the **Joint Recommendations** issued by FIEC and EFBWW at the end of the project **Final Conference** held on 25<sup>th</sup> April in Vienna. Started in June 2021 and implemented with the financial support of the European Commission, FELM relies on 6 case studies (3 focusing on TCN companies and 3 on TCN workers in the EU) to highlight the concrete aspects of this phenomenon. The key results of the legal and quantitative analysis carried out by the project were outlined by the *European Centre for Social Welfare Policy and Research* (Austria) during the event.

The first panel discussion focused on the competition from non-EU companies in the EU construction sector hosted speeches by **Herbert Krutina**, Board Member of *Strabag* AG, **Jean-Marc Candille**, National Secretary of FNCB-CFDT and **Alan Lievens**, Chairman of the Board at *European Dredging Association*, who introduced to the challenges faced by EU companies compared to the non-EU ones.

The second panel debated the presence of third-country national workers in the EU construction sector with the interventions of **Jan Vochten**, Social Dialogue Director of *Embuild* (Belgian member federation of FIEC), **Domagoj Ferdebar**, SGH Regional Organiser of EFBWW, and **Olena Abramovych**, a Brussels-based Ukrainian journalist.

While providing feedback on the Recommendations, **Cosmin Boiangiu**, Executive Director of the European Labour Authority, highlighted that the "Construction sector is in the focus of ELA's activities in 2023 and beyond. We set out a clear priority to contribute to fair labour mobility in that sector. As always, we received very valuable input from social partners for our future actions in the sector."

## **FELM Recommendations**

The Joint Recommendations address the challenges and opportunities related to the presence of non-EU workers and companies in the European construction sector. While promoting a fair and sustainable labour market, the guidance principles aim at ensuring compliance with existing regulations and enhancing social cohesion.

FELM also tackled the presence of State-Owned Enterprises (SOE) from China that can lead to distorted competition through subsidised bidding. The Recommendations foster the use of provisions on abnormally low tenders in public procurement and convergence in methodology (to detect and monitor them), as well as stricter rules on the use of EU funds. Furthermore, the document advocates for a rationalisation of the number of subcontracting tiers, as it distinguishes subcontracting for specialised projects from subcontracting aimed at simply reducing costs and escaping legal and social responsibilities. Such approach will also contribute preventing from the risk of social fraud and abuse.

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Finally, FELM encourages fair treatment of migrant workers (in terms e.g., of full and equal rights, adequate wages, working conditions, social security, nonetheless the access to training and education). Read or download the <u>FELM Joint Recommendations</u>.

## More information:



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