

🅤 EFFAT

EFFAT Report

Covid-19 outbreaks in slaughterhouses and meat processing plants State of affairs and proposals for policy action at EU level 30 June 2020



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Executive summary

Exploitative working conditions, overcrowded accommodation, up to 16 hour-working days, low pay, illegal wage deductions and job insecurity are but some of the injustices facing meat workers in Europe.

The sector depends to a large extent on migrant and cross-border workers both from inside the EU and from third countries. Whether employed through abusive subcontracting practices, as temporary agency workers, posted workers or forced to accept (bogus) self-employed status, the working, housing and employment conditions of a vast proportion of meat workers are simply deplorable – both a cause and symptom of exploitation, social dumping and unfair competition across Europe.

This EFFAT report outlines the sector situation in regards to Covid-19 across various countries in Europe. It also provides an overview of the work arrangements and business practices pursued by meat companies to cut costs and escape employer liability. Taken together, these paint a bleak picture of a sector in need of urgent and serious reform.

Meat workers are demonstrating astounding dedication to their jobs during the Covid-19 pandemic, exposing themselves to risk of contagion due to the frequent lack of effective health protection measures. Now is the time to deliver the long-term solutions to improve their conditions and to put an end to all forms of labour exploitation in the meat sector.

EFFAT calls for concrete and urgent actions, including binding measures, to be adopted both at national as well as EU level. EU initiatives are specifically needed to tackle social dumping and to put an end to the unfair competition that has destroyed thousands of jobs over recent years in the meat sector across several Member States.

Chapter 5 of the report offers to policymakers, in particular the EU Institutions, a detailed explanation of EFFAT's proposals for action. Among others, EFFAT:

- calls on the EU Commission to propose an ambitious legal instrument ensuring joint and several (chain) liability throughout the whole subcontracting chain. The initiative should also aim at boosting collective bargaining and combating wage dumping.
- calls on the EU Commission to support the adoption of measures proposed by the German Government to improve the situation in the meat sector.
- calls for an EU legally binding instrument guaranteeing decent housing for all cross-border, seasonal and migrant workers.
- calls for the accelerated empowerment of the European Labour Authority (ELA), in particular with respect to joint and concerted inspections and the fight against undeclared work.
- calls for immediate recognition by the Commission of Covid-19 as an occupational disease.
- calls for measures to address the excessive bargaining power of retailers and to mitigate the consequences of unfair cross-border European and international competition. In this respect, EFFAT calls on the EU Institutions to ensure its <u>recommendations for the Farm to Fork Strategy</u> are met.
- calls on Member States to ensure the prompt revision of Regulation 883/2004 and the urgent introduction of a European Social Security Number (ESSN) and Insurance Status Verifier.
- calls on Member States to ensure compliance with the revised posting of workers Directive.
- calls for a binding EU initiative on due diligence that covers also subcontracting and supply chains.
- calls for improvements to the current EU legal framework governing regular labour migration channels to ensure uniform rights at work and equal treatment.
- calls for the upcoming EU initiative on fair minimum wages to aim at promoting sectoral collective bargaining and to guarantee respect for workers' and trade unions rights including site access and the right to organize and bargain collectively.

EFFAT encourages the upcoming German EU Council Presidency to seize the moment and support these proposals for action.

1. Introduction and context

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Outbreaks of Covid-19 in slaughterhouses and meat processing companies are occurring in a number of countries in Europe and around the globe.

The reasons why meat processing plants became vectors for the spread of Covid-19 are to be found in the poor working, employment and housing conditions affecting thousands of meat workers in many countries across Europe.

EFFAT and its affiliates have been denouncing the reality of the sector to the EU Institutions and national governments on multiple occasions over the past years.

Although meat workers have been considered essential and did not stop their activity during the pandemic, evidence shows that precautionary measures to protect them from being infected by the virus were often either missing or disrespected.

It is now time to adopt long-term effective measures to put an end to every form of labour exploitation existing in the meat sector and improve labour standards for meat workers.

EFFAT calls for concrete and urgent actions, including binding measures, to be adopted both at national as well as at EU level. EU initiatives are specifically needed to tackle social dumping and put an end to the unfair competition that has destroyed thousand of jobs over recent years in several Member States.

Many of the factors that exacerbate the critical conditions faced by workers in the meat sector are connected to areas in which the EU has clear competences, including, *inter alia*, labour mobility, the cross-border provision of services, migration, health and safety, international trade, company and labour law. This is one reason more for the EU to act. The approach must be holistic and must consider several factors including the distortions of competition affecting the whole food chain.

Evidence also shows that in countries where collective labour agreements are respected and cover all employees in the sector, the number of workers testing positive for Covid-19 has been extremely limited. This is not a coincidence and shows once more the important value of well-functioning collective bargaining systems to ensure decent working and employment conditions including health and safety protection.

In this respect it is worth to recall that EFFAT together with its social partner in the EU food manufacturing industry FoodDrinkEurope adopted joint Guidelines to protect the health and safety of workers in food business during Covid-19 outbreak. Those Guidelines should be respected and enforced at national level across the whole food sector.¹

This report has been developed thanks to the contribution of EFFAT affiliates who have replied to questionnaires and participated in video-conferences. The document aims at identifying the main reasons for the spread of the virus among meat workers based on the information reported by affiliates. It also describes the current situation in various European countries, including the number of Covid-19 clusters to have occurred in meat processing plants over the past few weeks, and the work arrangements and business practices characterising the sector at national level. The last chapter identifies some preliminary proposals for action at EU level.

¹ Joint FoodDrinkEurope-EFFAT Guidelines to protect the health and safety of workers in food business during Covid-19 outbreak, 09 April 2020 | EN | ES | FR | DE | HR | NL .



2. A brief overview of the working and employment conditions in the European meat industry

The European Union's meat industry is made up of almost one million workers² and more than 32,000 companies, with its production representing 1.53% of the GDP of the EU-27.³

The sector in Europe has been characterized for decades by social dumping as well as aggressive competition between companies at both national and cross-border levels, resulting in a race to the bottom in wages and working conditions. The pressure from retailers has been driving a price-reduction policy for years. Competition from outside the EU is also significant.

The meat sector is a fragmented industry, with excess capacity and consequently under cost pressure from more powerful customers, who have access to imported product and can apply pressure in respect of cost.⁴ Margins are normally low and volatile. In most countries, large slaughterhouses have the biggest market share, or are growing rapidly, and concentration varies at the slaughtering stage.

Against this backdrop, employers adopt strategies that hit workers in various ways: increasing line speeds with health and safety implications, pushing for flexible labour arrangements, driving down wages and labour standards and making increased use of precarious workers.

Meat processing plants are usually labour intensive. Although modern processing plants have made ergonomic improvements over the years, repetitive strain injuries are common, as are cuts, slips and falls. Working conditions are rather tough: of being cold, repetitive, and requiring physical strength. Not surprisingly labour turnover rates in most European countries are high. Due to the intensification of work, a growing number of workers are now suffering from new occupational diseases, such as musculoskeletal disorders (MSDs), and from psychosocial factors at work (the most common one being work-related stress).

Identifying common elements in the cases of exploitation that our affiliates have identified, the following arise:

Job insecurity, poor wages and long working hours are often the norm for many meat workers.

A vast proportion of the staff employed in the European meat sector are cross-border or migrant workers from both inside the EU and third countries. Many of those employed in Western European countries come from Central and Eastern Europe (CEE) within the EU framework on the free movement of workers. Workers from CEE are usually recruited by labour intermediaries who charge them a recruiting fee plus the travel costs to reach the country of destination. Many of these workers are then employed by temporary work agencies or through abusive subcontracting practices allowing employers to escape liability. In some countries, subcontractors operate as bogus cooperatives with workers sometimes employed as self-employed. Posting of workers in the framework of the provision of services is still a recurrent practice although limited by comparison with earlier years. The use of letterbox companies to evade or circumvent applicable remuneration, social security contributions and taxes is also frequent.

Wage disparities with workers directly employed by meat companies is usually relevant. Wage deductions for accommodation, transport and working tools are often imposed on migrant and crossborder workers. Due to the low pay, workers use to share overcrowded accommodations which sometimes are even directly linked to their work contract or owned by the employer, being the subcontractor or the temporary labour agency (*further details on the different business practices and work arrangements used by meat companies to drive down costs and escape liabilities can be found in the country report chapter).*⁵

² Eurostat: Annual enterprise statistics by size class for special aggregates of activities (NACE Rev. 2)

³ Eurostat: Annual detailed enterprise statistics for industry (NACE Rev. 2, B-E)

⁴ <u>Putting meat on the bones</u> - A report on the structure and dynamics of the European meat industry, EFFAT, 2011.

⁵ For an overview of the working conditions and labour relations in the pork industry with a special focus on Germany, Belgium, Denmark, Italy and Poland see also Meat-up-ffire, Piera Campanella and Davide Dazzi. Meat-up-ffire Up and Down the Meat Value Chain (University of Urbino Carlo Bo as lead applicant). EFFAT contributed actively to the project.



3. Why meat companies became hotbeds for Covid-19

The IUF is currently collaborating with Dr Nabarro, Professor of public health at Imperial College London and special envoy on Covid-19 for the WHO. According to preliminary research findings the following elements have been identified as factors that have contributed to the spread of the virus in the meat industry:

Lack of social distancing: Workers in slaughterhouses often work elbow-to-elbow in close proximity to one another on the processing chain. Staggering work shifts and breaks to favor social distancing are possible but not all meat companies are willing to slow down their production pace during the pandemic. The lack of social distancing has certainly contributed to the spread of the virus.

Poor housing conditions: In almost all European countries the meat sector highly depends on migrant and cross-border workers. Workers often live in overcrowded flats with several individuals living in one room. The live in these unacceptable conditions for two main reasons: because housing is often directly linked to their work contract or because their wages are too low and they try to save costs for their accommodation. It is quite obvious that respecting social distancing in those accommodations is simply impossible.

Lack of inspections: In many countries the frequency of labour inspections has decreased during the pandemic. This has caused more breaches of law and violations of precautionary health and safety measures adopted to protect workers during this emergency period.

Common transport: Many workers reach their workplace via public transport or carpooling, often organized directly by the employers. It may be the case that measures to ensure social distancing during transport have not been respected.

Ventilation: The spread of the disease is 20 times⁶ more likely where there is insufficient ventilation as it is the case in some meat plants, especially the most old one.

PPE: Protective equipment must be provided, be appropriate and must be worn. This has not always been the case. There should be training on the use of PPE.

Cold: Certain parts of meat processing plants are inevitably very cold. The virus transmits more easily in colder temperatures.

Job insecurity and lack of social protection: Employment conditions for many meat workers are extremely precarious. Moreover, the level of sick pay allowances can be very low. This may have determined the fact that in case of experiencing Covid-19 symptoms some workers have not reported the status of their health conditions for fear of losing their job or for not being able to afford a decent living with sick pay allowances.

It also worth saying that in many countries precautionary measures have been adopted to safeguard workers' health and safety during the pandemic. These measures have been adopted at governmental level or through collective bargaining agreements at interprofessional or sectoral levels.

Some of these measures include, *inter alia*, the provision of information on the risks of the virus, temperature monitoring at the entrance of the facilities, hygiene practices, staggering of working shifts to ensure social distancing, the use of protective equipment, changes to the design of the workstations with the installation of Perspex or Plexiglas, changes in the layout of common areas (cantine, locker rooms) to ensure social distancing, clear processes to manage employee sicknesses, etc.

Where these measures have been adopted and respected the level of contagion has been limited.

Of course such measures have been insufficient in instances where workers are living together in overcrowded accommodation.

⁶ Source: IUF consultation with Imperial College, London



One note of caution, this report captures a dynamic situation which is subject to ongoing change.

Germany

Germany has been so far the European country with the most cases of workers in the meat sector testing positive for Covid-19.

Below are some of the most relevant cases:

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The biggest Covid-19 outbreak was recently reported at a Tönnies factory in Rheda-Wiedenbrueck (North Rhine-Westphalia). The slaughterhouse, which is considered the biggest in Europe, employs 7000 workers and more than 1,550 tested positive for Covid-19. The factory was shut down last Thursday 18 June 2020. All workers that have tested positive, as well as those working close by them and their relatives are in quarantine. Various police units have even been deployed to help ensure respect for the preventative measures. State Minister for North Rhine-Westphalia, Armin Laschet, announced that residents in the neighboring districts of Gütersloh and Warendorf will have to face, at least for a week, the same lockdown restrictions that were in place throughout Germany during the early stages of the pandemic in March 2020.

Earlier in May, following an outbreak at a meat processing plant in the town of Coesfeld, near the western German city of Münster, the state of North Rhine-Westphalia became the first to activate an "emergency mechanism" and delay the loosening of lockdown restrictions in the Coesfeld administrative district until 18 May 2020. The localised spike in cases came after a test of 200 employees at the Westfleisch meat processing plant revealed 151 to be positive for Covid-19. The plant was then shut down.

Elsewhere,109 workers tested positive at a plant in Bad Bramstedt in the district of Segeberg. Over 200 hundred Romanian workers tested positive for Covid-19 at a slaughterhouse in Birkenfeld, in the Baden-Wurttemberg region. And a plant in Schleswig-Holstein was closed after 128 employees tested positive.

These are just some of the most relevant cases. More Covid-19 outbreaks were reported at other slaughterhouses and meat industry facilities.

According to EFFAT Member Organisation NGG, the challenging working, housing and employment conditions of a vast proportion of meat workers have contributed to the spread of the virus in meat processing plants. One of the main reasons why working conditions are so poor is the subcontracting system that for almost twenty years has been a major cause of social dumping within the sector in Germany but also across Europe. The subcontracting system developed in Germany has resulted in thousands of job losses in other EU countries with neighboring countries such as Denmark, France, the Netherlands, and Belgium particularly affected.

In Germany, approximately 110,000 workers are currently employed in the meat sector, of which around 30,000 are employed through subcontractors. Workers employed by subcontracting companies are mainly migrant and cross-border workers coming from Central and Eastern European countries (CEE). In big meat companies (e.g. Danish Crown, Tonnies, Westfleisch, Vion) the number of workers employed through this business practice comprise around 80% to 90% of the total workforce.

The core activities of the meat companies (receiving, slaughtering, deboning, cold storage, precutting, fine-cutting, packing and distribution) are usually carried out by subcontractors. Workers employed by subcontractors perform their activity in companies' facilities and although meat companies claim not to have any responsibilities for those workers, evidence shows that they have a major influence on the working and employment conditions that apply. Direct orders are often given by the contracting firm's foremen to the subcontracted workers. The use of subcontracting firms allows meat companies to cut costs and sidestep any liability in case of violation of workers' rights, evasion and avoidance of remuneration levels, social security contributions and corporate taxations. The system is the major driver of the continuous race to the bottom in terms of wages and working conditions

How the subcontracting system worked in Germany until 2015

From 2004 until 2015 the majority of the subcontractors were companies based in Central and Eastern Europe (CEE). Workers were usually posted in the framework of the freedom to provide services within the EU (Art. 56 TFEU). It is worth noting that until 2015, the German law on posted workers did not apply to the meat sector. Thus, workers were mainly employed under the terms and conditions of the home country, with considerable savings for their employers and, of course, for the main German contractors. The meat sector was the biggest receiver of posted workers after construction.

In those years, low wages and exploitative working conditions used to go hand in hand with gangmaster practices and a lack of social security coverage (including unemployment, sick and pension benefits). Meat processing companies used to contract the work out to various subcontractors who via a web of letterbox companies would subcontract the work on to other companies and sign contracts with workers that rarely lasted longer than six months. For more information on how the system worked until 2015 see the case of Danish Crown in the <u>ETUC 2016 Report on Letterbox</u> <u>Companies</u>.

The system as it works today

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Nowadays, there are still around 5000 meat workers in Germany who are posted from firms based in Central and Eastern European countries. The use of letterbox companies still applies but is less relevant than before.

The vast majority of subcontracted workers today have a German work contract and are employed by a German subcontractor. Their labour relations should therefore be regulated by German law (e.g. working-time, health and safety provisions, remuneration).

Most of the changes took place in 2015 when, also thanks to the pressure from NGG, a statutory minimum wage was introduced in Germany (at present € 9,35 per hour).

At the same time, several meat companies including Danish Crown, Tonnies, Vion and Westfleisch signed a Voluntary Declaration (*Freiwillige Selbstverpflichtung*) in 2015 committing no longer to make use of firms established in other countries posting workers to Germany.

In 2017 the GSA Fleisch law was adopted (Gesetz zum Schutz der Arbeitnehmerrechte in der Fleischwirtschaft). This legislation brought in some new restrictions such as a prohibition on imposing wage deductions for working tools.

Notwithstanding these developments, the working conditions of meat workers employed in the German meat sector are still extremely critical. No real improvement has been made. And the reason is that the subcontracting system - the main cause of violations of workers' rights and social dumping - still applies.

Workers employed by subcontractors generally work between 48 and 65 hours per week while meat workers directly employed by companies normally work around 40 hours per week and maximum up to 48 hours. For subcontracted workers, the working day can be up to 16 hours, six days per week.

Wage disparities with workers directly employed by meat companies are also relevant. Subcontracted workers earn on average 40% to 50% less than meat workers directly employed by meat companies. The low pay is the consequence of unpaid overtime due to hours not being recorded truthfully (handwritten time recording is common) and of illegal wage deductions from the workers' net salary for working materials - i.e. knife, apron, gloves. Considering that those deductions apply on a minimum wage pay, those workers live in poverty.

Housing conditions are also extremely poor. Workers employed by subcontractors frequently live in overcrowded flats with shared bathrooms and with even up to five or six people in one dormitory. Accommodation is provided directly or indirectly by the subcontractor. In other words, the employer

is also the landlord thus making workers doubly dependent on their employer, who deducts the rent (between 200 and 350 Euros per month) directly from the employee's salary.

Work contracts are temporary and job insecurity is extremely high. These elements are likely to have influenced many subcontracted workers who when experiencing symptoms have not reported their sickness for fear of losing their job.

The role played by labour intermediaries located in the departure countries is also still a matter of concern.

The vast majority of workers employed by subcontractors reach Germany within the framework of the free movement of workers. A recruiting agency or other types of labour intermediaries recruit these workers in CEE countries and usually charge them a recruiting fee and the travel costs to the country of destination. Once they reach Germany, they are employed by a German subcontractor that most of the time just owns an office in Germany with a limited number of staff. Strong connections exist between the intermediary in the departure country and the subcontractor established in Germany.

The lack of proper inspections during Covid-19 have contributed to the spread of the virus. Although it is worth highlighting that neither do inspections in the German meat sector work properly in normal circumstances. The federal and local government authorities are not controlling the companies enough. And there is a lack of coordination among labour inspectorates and the different controlling agencies. For example, the application of the minimum wage is controlled by one agency, the health and safety standards by local government authorities, accommodations standards by another governmental agency. Another issue is the fact that sanctions are not effective and do not act as a deterrent against breaches of applicable legislation.

The lack of social distancing and proper PPE, cold temperatures, lack of inspections and proper ventilation may have been some of the main causes facilitating the spread of the virus among meat workers.

However, it is also not a coincidence that the vast majority of those that tested positive for Covid-19 are workers employed by subcontractors mainly coming from CEE. Living in overcrowded accommodation, has certainly played an important role in spreading further the virus among these vulnerable workers.

The pressure from NGG persuaded the Federal Government to propose long-term solutions

NGG has reiterated some clear demands to end abuse and exploitation in the meat sector:

1. Subcontracting practices for the industry's core activities (e.g. slaughtering, deboning, cutting, processing, and packing) must be prohibited.

2. Accommodation of subcontracted workers must be decent and have to meet clear and nationwide rules and standards. A price limit for workers' accommodation should be set.

3. An industry-level collective agreement covering all workers in the meat industry (including those employed by subcontractors) should be negotiated and it should set an higher minimum wage for all meat workers.

4. Special prosecutors should be dealing with the violation of health and safety measures.

Moreover, on 14 May 2020 NGG wrote to the Federal Minister of Labour and Social Affairs calling for all workers in the slaughtering and meat processing industry to be immediately tested for Covid-19. NGG has also demanded that SARS-CoV-2 be recognized as an occupational disease.

Thanks to the pressure exerted by NGG and the media attention on Covid-19 outbreaks in meat factories, the German Government committed to finding long-term solutions to improve the situation in the meat sector. Below is a summary of the main proposals made:

• Strengthening of labour inspections and enhanced coordination among national and local authorities and agencies dealing with different kind of inspections (e.g. housing, remuneration, working time)

- · Prohibition of subcontractors in the meat sector from 2021
- Permanent funding of the DGB project Faire Mobilität (information and legal advice for migrant and cross-border workers)
- Digital recording of working hours

• Higher sanctions

These proposals will now have to be discussed and with luck ultimately adopted in the Bundestag. This will take several weeks. The recent major outbreak at the Tönnies factory in Rheda-Wiedenbrueck shows once more that the German meat sector need to be completely reformed. Meat workers cannot wait any longer. The lobbying of meat companies is quite aggressive and there is a definite risk that these measures will either not be adopted or be so watered down as to be completely ineffective. It will be extremely important that the EU Institutions and in particular the Commission advocate for the adoption of NGG's proposals. There is no time to waste. The abusive subcontracting system of the German meat sector has destroyed thousands of jobs in other EU countries; it is therefore in the interest of all Member States and the Commission that these measures are swiftly adopted and implemented.

Ireland

The meat processing sector is a very significant sector of the Irish economy and supports thousands of direct and indirect jobs. The sector was classified as essential by Government and meat processing has continued during the crisis.

In Ireland there are approximately 15,000 meat workers and 49 meat plants. To date there has been 20 clusters identified across 19 plants with 1056 confirmed Covid-19 cases. In some of the affected plants up to 25% of the employees have been infected. The plants have not been shut down.

Because of Covid-19 the frequency of inspection is lower. Moreover, many of these plants were built in the 60's, people work very close to each other, there is a bad ventilation system and the noise pollutions creates also a problem as people have to shout to each other to communicate. Working conditions are poor.

There is a lack of staff working in the sector because wages, terms and conditions are too low. The sector depends to a large extent on migrant workers particularly from Brazil and South Africa. There are also many cross-border and migrant workers coming from CEE.

To deal with labour shortages the Government issues work permits every year to third-country nationals to be employed in the industry. In 2019 the Government issued a total of 917 work permits. From January to April 2020, 800 work permits were issued already.

Workers earn just the minimum wage or slightly above it. Some workers are on piecework (they are paid on the basis of the kilos they process) and can earn a bit more.

As wages are too low workers save costs in all possible manners. Carpooling is common. Moreover some workers have their accommodation linked to their employment contract. They get their salary and then they have to pay for their housing. Housing is normally extremely basic and rooms are shared.

A large proportion of workers are employed by temporary labour agencies. Subcontracting is also a common practice.

In early March 2020, unions raised concerns with employers and public representatives about the potential of the spread of Covid-19 in meat processing facilities.

On 3 April 2020, EFFAT's Irish affiliate SIPTU wrote to the Minister for Agriculture, Food and the Marine (Michael Creed) highlighting the importance of worker health and safety in the meat processing sector in advance of an EU Special Agricultural Committee.

In April 2020, unions called for mandatory temperature testing at meat processing facilities. On the 28 April 2020 SIPTU wrote to the Health and Safety Authority requesting inspections at meat

processing facilities. Unions in the sector also worked closely with the Migrant Rights Centre of Ireland (MRCI) in highlighting the increased vulnerability of migrant workers.

Throughout April 2020, SIPTU sought to engage with government and the representatives of the meat processing industry to highlight their concerns but in the main their requests were ignored.

The slow response of Government and some statutory authorities to the concerns of unions in the sector contributed to the high number of cases. Temperature testing at the entrance of production facilities is now happening in many companies but still not everywhere.

<u>Specific guidelines</u> for the meat sector on how to protect workers during the Covid-19 outbreak have also been released on 18 May. The guidelines are quite comprehensive and aim at ensuring respect for clear processes upon entry into the company facilities. The guidelines also provide recommendations on how to ensure social distancing along the production line, in canteens, in offices, locker rooms and toilets. Recommendations on how to manage the staggering of work shifts are also provided.

In June 2020 the Irish Government's (Oireachtas) Committee on Covid-19 has finally started a much closer cooperation with the Unions and requested submissions relating to the Meat Processing Industry from SIPTU, Meat Industry Employers and the Migrant Rights Centre of Ireland. SIPTU/ICTU has put forward its submission last week.

Violations of workers' rights are more frequent in the red meat industry – as it is poorly organised. The situation is slightly better in the pork and poultry industry where the level of unionization is higher. SIPTU will try to increase membership and negotiate a collective agreement that improves pay, ensures pension and sick pay for all meat workers in Ireland but the lack of engagement from the employers hinders any attempt to strengthen social dialogue. Access to site for trade unions is also extremely challenging. The employer doesn't have an obligation to bargain collectively even if high levels of union membership exist.

The lack of an active system of dialogue between stakeholders in the meat processing is an obvious weakness and needs to be addressed. A system of collective bargaining would have helped in preventing the high number of cases in the sector.

The Netherlands

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Following the pressure of the German authorities Covid-19 testing have been carried out in a Vion slaughterhouse located in the Dutch city of Groenlo, close to the German border. The majority of workers employed in Groenlo live in Germany.

The slaughterhouse was closed down on 20 May 2020 after 45 people tested positive for Covid-19. Following a subsequent round of tests, over 20% of employees tested positive for coronavirus, i.e. 147 out of 657. The plant was temporarily closed and all employees went into home quarantine.

During the same week, a different Vion pig slaughterhouse in Apeldoorn, was closed down for 1 day after it was discovered that social distancing was not being respected in 17 vans transporting (mostly foreign) employees to the site.

A few weeks beforehand, in another Vion slaughterhouse in Scherpenzeel processing poultry, 28 employees had contracted the virus.

The Van Rooi Meat processing plant in Helmond, Noord-Brabant also closed down due to Covid-19 at the end of May after 21 out of 130 workers in a random trial tested positive for Covid-19. The factory employs approximately 1700 workers.

Some 80% of the workers in the Dutch meat industry are from CEE and are employed via temporary agencies. They are paid the minimum wage and many also depend on their employer for their accommodation, which is often overcrowded, making social distancing impossible.

Temporary agencies are mainly based in the Netherlands. This means workers have an employment contract with a Dutch temporary agency. Dutch statutory provisions and the Dutch collective agreements in the temporary agency sector are applicable to the (majority of) these foreign workers.

Posting of (agency) workers through temporary agencies based in other Member States is less prevalent than recruiting foreign workers (also with the help of foreign placement agencies) and hiring them through a Dutch temporary employment agency.

Dutch EFFAT Member Organisations demanded that every worker employed in the meat sector be tested for Covid-19.

The Government set up a special taskforce with social partners. FNV demands decent accommodation for migrant and cross-border workers. Another key demand is that companies should directly employ workers and not make any abuse of temporary work agencies that employ workers with flexible contracts.⁷

Temporary employment agencies often also arrange transport and accommodation.

Many migrant and cross-border workers live together in large groups. They can live in flats, but also bungalows or caravans. These conditions have of course contributed to the spread of the virus.

The UK

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In the UK there has been a recent spike in confirmed Covid-19 cases within the meat sector which has resulted in two site closures.

On 18 June 2020 the 2 Sisters chicken processing plant in Anglesey said it would close for a fortnight after local health authorities confirmed there to be 58 cases of coronavirus among staff on site, out of a workforce of 560 people.

Two other food processing plants – the Kober meat factory in Yorkshire that supplies bacon to Asda and Rowan Foods in Wrexham which makes food for supermarkets across the UK – have also closed amid outbreaks. Tests at the Kober plant revealed 165 positive cases; all those testing positive were placed in self-isolation for 14 days and health authorities are attempting to trace those with whom they have come in contact. According to Kober bosses, the plant partially reopened week commencing 22 June 2020 with only staff tested and declared fit returning to work

Employers have been slow to react to the emerging situation and reluctant to adopt social distancing guidelines particularly in processing areas. Unite the Union has been strongly advocating for employers to adopt stringent safety measures after a substantial body of workers walked out at a Moy Park plant in Northern Ireland on 25 March 2020, only returning to work after assurances were provided that stronger safety measures would be taken. Four food processing workers have died after contracting coronavirus last month – one at Moy Park in Northern Ireland and another three at a meat processing plant in Barnsley.

Union representatives in UK meat processing plants report that most production lines are not covered by social distancing. Risk assessments, if done at all, have had little trade union input.

After pressure from the Unions, some employers have amended shift times and adapted the layout of common areas (e.g. locker room, cantine). However, in the meat processing areas 2 metre social distancing is still not respected as the Government has only released guidelines - which are not legally enforceable.

There has been a considerable increase in production levels (up 40%) to keep up with increased demand to keep up with public panic-buying, so the employers are not prepared to slow the production lines to allow social distancing between operators.

Meat processing plants mainly employ migrant workers who live in poor and cramped housing with multiple occupants working and living together. As most of these workers are low paid it makes car

⁷ Article 5 of Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work establishes the principle of equal treatment for temporary agency workers. The basic employment and working conditions shall be – for the duration of the assignment at the user company – equal to those of a worker employed directly by that company to occupy the same position. However, because of a combination of compliance issues with circumventing business practices, equal treatment for temporary agency workers is often not respected.

ownership difficult and most rely on carpooling or over-crowded public transport. Most of migrant and cross-border workers do not understand English and the information on the risks of the pandemic was not provided in a language they could understand.

Workers are too frightened to go to work but they are obliged because they are low paid and cannot afford to stay home. The sick pay is too low, 95 pounds a week is not enough to live off, to pay rent/electricity. A GMB member survey identified that over 65% of workers could not afford to miss work. In light of this, GMB wrote to the Secretary of State for Food and Drink calling for an industry summit with supermarket retailers to establish minimum industry standards such as full pay for absences due to Covid-19.

France

Three Covid-19 clusters have been confirmed at slaughterhouses in France.

On 18 May 2020 the Val de Loire regional health authority confirmed 54 workers had tested positive at the Tradival slaughterhouse, owned by the farming cooperative Groupe Sicarev. Around 500 workers are employed in the plant. The plant was shut down by local authorities.

A second Covid-19 cluster was confirmed in northern Brittany, where 115 workers at the Kermené abattoir in Côtes-d'Armor tested positive for the virus. More than 2800 workers are employed at the plant.

9 staff (out of 700) also tested positive at a slaughterhouse owned by poultry group LDC in Arrivé.

All staff who tested positive went into self-isolation.

EFFAT

As in other countries the vast majority of workers employed in the sector are migrant and cross-border workers. They mainly come from CEE but also from Africa. Subcontracting practices as well as the posting of workers are widely used.

Poland

Some workers fell sick and some were quarantined at a poultry processing plant owned by Danish Crown at Czyzew in Poland. Some of the lines were temporarily closed. In Starachowice, in South East Poland, over 100 workers were sick or quarantined at a Smithfield plant. The plant was temporarily closed but by 1 June 2020 it had re-opened some lines and departments. The workforce comprises large numbers of migrant workers from the Ukraine.

A process of transformation and modernisation of the industry got underway soon after the country joined the European Union in 2004, not least due to the massive influx of foreign capital into the meat industry and the ability to export to EU markets.

Given its central position in Europe and its comparatively low labour costs, Poland at the same time became a significant importer of live pigs and fresh/frozen meat and a big player in the market for pig slaughtering and pig meat processing. As environmental and meat quality laws were less strict than in other EU countries, multinational groups were further interested in relocating their facilities to Poland.

Ultimately, the country contributed to reshaping in particular the EU pork industry by massively exporting both manpower and companies to other EU markets. On the other hand, due to the country's strategic position, meat companies based in Poland could in turn benefit from cheap labour from eastern European countries. It seems that in most factories, untrained or undertrained employees work up to ten-fourteen hours, and that overtime is often unpaid, especially in the areas of the country with high unemployment.

Italy

To date, there have been three outbreaks at meat processing facilities in Italy. On 29 June 2020, twelve workers tested positive for Covid-19 at the Ghinzelli slaughterhouse in Viadana (Mantova). The plant has been temporarily shut down and the pigs transferred to another plant belonging to the same group in Castelverde (Cremona). All 300 workers have been tested for Covid-19 with the total

number of confirmed cases yet to be established. Each of the twelve workers infected is employed by a workers' cooperative acting as a subcontractor.

This incident follows the earlier outbreak at the Gardani meat plant (also in Mantova) where likewise twelve workers tested positive for Covid-19. Also in this case the workers tested positive were subcontracted workers.

An additional case has also been reported on 30 June 2020 of two workers testing positive at the slaughterhouse Martelli in Dosolo (Mantova). All 250 workers will undergo Covid-19 testing.

In March 2020, a trilateral agreement between Government, Unions and Employers Organisation was reached. The decree imposed some clear precautionary measures. EFFAT affiliates have since reached several agreements (some of them uploaded in the EFFAT Covid-19 Page) at national level to implement at company level the precautionary measures adopted on 13 March.

In Italy as in other countries the meat sector widely relies on abusive subcontracting practices. The dominant business model of the Italian meat sector is based on recourse to small workers' cooperatives to which to outsource the whole business cycle (slaughtering, deboning, cutting, processing, and packing) except for management and admin jobs. This enables the main contractors to achieve considerable savings. While employees directly employed by meat companies continue to benefit from the collective agreement for the food sector, subcontractors apply the collective agreements for the logistics and service (Multiservizi) sectors, which provide for lower wages and labour standards. This determines a situation of collective bargaining and wage dumping and an increase in the working time flexibility. The legal status of these cooperatives. Workers are not even aware of cooperatives' meetings or of decisions being taken on their behalf. Illegal practices are widespread regarding working hours, health and safety, taxes, and social security contributions. This subcontracting chain almost entirely employs migrant workers from non-EU countries (such as Albania, Ghana, Ivory Coast, China) in precarious conditions

Norway

EFFAT

There have been two clusters of Covid-19 in Norwegian meat plants. In both cases the operations were closed for a few days before they started up again. In one of the plants, the workers infected were temporary agency workers.

A few companies that only produce products for the hotel and restaurant sector have been closed for a few weeks but are now up and running again.

Due to closed borders, the sector had to deal with labour shortages. The meat sector is very dependent on workers from EU-countries. Many of these workers normally travel between Norway and their own country on a regular basis. They are normally employed through temporary work agencies. Some workers chose to stay in Norway instead of going back to their country of residence in March.

The authorities decided to allow cross - border workers from EU-countries to come to Norway to work in the meat sector. They could work immediately without 14 days quarantine but they had to stay isolated with other employees on site and have to live isolated outside work for 14 days upon arrival.

Precautionary measures have been taken at plant level including shift staggering, social distancing, layout changes in cafeterias and other common areas, use of protective equipment if social distancing couldn't be respected, sick pay leave in case of Covid-19 symptoms, translation of relevant information in workforce languages.

Spain

At Litera Meat (Pini Group) in Binéfar, Aragon, there were conflicting reports about the number of workers who have been infected by the virus. Initial serological tests were positive for about 200 workers but subsequent tests carried out by management reduced the number testing positive from 200 to 11. Overall, the situation has been under control in Spanish slaughterhouses. To date, only 3 clusters of Covid-19 outbreaks in slaughterhouses and meat packing companies have occurred.

Again, as in other countries, the reasons for the contagion can be multiple including common transport and poor housing conditions of migrant and cross-border workers. Also in Spain, meat workers have no other option than sharing accommodation to save costs due to their low wages.

Measures to protect workers' health during the Covid-19 outbreak have been adopted and implemented by the Spanish Government.

Moreover, the Food Industry Employers' Federation (FIAB), together with EFFAT affiliated Unions CC.OO Industria and FICA-UGT adopted <u>Joint Recommendations</u> to deal with Covid-19 at company level.

These measures and recommendations establish various measures including shift staggering when entering and leaving the facilities, temperature checks upon arrival at the company, a distance of 2 metres between work stations, physical barriers between workers where the 2-metre separation cannot be complied with, hand washing and other hygiene measures, provision of masks and/or facial screens by the companies and reinforcement of cleaning throughout the day in common areas (rest rooms, changing rooms, bathrooms, stairs, handrails, meeting rooms, etc.).

Thanks to the compliance with these measures the impact of Covbic-19 in the meat sector has been limited.

Spain, with some 100,000 workers and almost 3,700 active companies, is the European Union's second largest meat producer by number of tonnes produced (14.6% of the total), and the third largest by value of its production (11.3% of the total). The Spanish meat sector is also an expanding industry that has witnessed significant growth over the last decade: from 2008 to 2017, at the height of the economic crisis, the industry's production value grew by 33.4%, almost 10,000 jobs were created, and the number of hours worked went up by 13%.

Similar to Germany, Ireland, France, Italy and other countries, the meat sector is characterized by subcontracting practices.

In Spain, companies outsource part of the industry's core activities (mainly slaughtering and cutting activities). There is a main contractor which enters into commercial service agreements to outsource activities to a varying number of companies, which act as subcontractors for the main contractor. Most of these outsourcing activities do not require subcontracting chains with several tiers, or the participation of companies located outside of Spain, or the temporary transfer of workers from other EU countries. In fact, the great majority of companies that use this model are Spanish-owned and operate from within the territory.

The companies that act as subcontractors in the meat industry are today mainly multiservice companies. These companies are sometimes established by temporary work agencies to avoid employers obligation to ensure equal treatment according to the temporary agency workers directive.

The subcontracting system contribute to making the employment in the meat sector even more precarious, allowing the employer to evade and circumvent his liabilities concerning working conditions, remuneration levels, social security contributions and taxes.

Workers employed through subcontracting are normally covered by the collective agreement of the multiservice company. Although they carry out their daily activity in meat plants and are employed in slaughtering and processing activities, those workers are not covered by the two national collective agreements covering the Spanish meat sector: the collective bargaining agreement of the poultry and rabbit slaughtering industry and the national collective bargaining agreement of the meat industry, which serve as the sector's reference agreement due to the number of companies and workers it covers.⁸ The collective bargaining dumping which arises from these abusive subcontracting practices

⁸ Resolution of 19 March 2019, of the Directorate-General for Employment, by which the State collective bargaining agreement for the meat industry is registered and published, BOE, no. 86, of 10 April 2019; Resolution of 25 January 2018, of the Directorate-General for Employment, by which the Collective bargaining agreement for the poultry slaughtering industry is registered and published, BOE, no. 39, of 13 February 2018.

is the cause of major differences in terms of wages, working time and social security coverage between workers employed by subcontractors and workers directly employed by the meat company.

Until a few months ago, the vast majority of subcontracting firms used to operate as worker cooperatives (*cooperativas de trabajo asociado*). Around 25000 workers used to be employed in the sector through these cooperatives. Thanks to the mobilisation of EFFAT affiliates a large proportion of these workers have been directly employed by meat companies and are now covered by the applicable sectoral collective agreement. Members of the cooperative operate under a self-employment social security regime. They are only remunerated when they are actually working. Therefore, their inactivity – voluntary or forced – does not imply any economic cost for the cooperative and, of course, for the meat company.

Although the number of workers employed through sham cooperatives has significantly decreased, the regularisation of bogus self-employed workers has not always been made effective by absorbing them into the workforce of the main contractors, as might have been desirable, but rather via different kinds of subcontracting (multiservice companies, commercial companies, etc.) as described above. The impossibility of legally obliging worker cooperatives (or other subcontracting practices that have started to crop up in the industry, such as multiservice companies) to apply the sectoral collective bargaining agreement in force, is a major issue in Spain as in other countries which causes social dumping and unfair competition.

Belgium

EFFAT

In Belgium there was a serious outbreak with 70 people infected out of 330 workers in one meat factory of the Lovenfosse Group. The factory was not closed. Two workers lost his life.

One of the main issue Belgian Unions are currently facing is the housing conditions of posted and subcontracted workers. Moreover, transport is often organized by the employer. EFFAT Belgian affiliates have called on national authorities to tackle these issues and to increase the number of inspections. A meeting with the Belgian Social Inspection Department will take place this week with special attention to the housing conditions of posted workers.

Posting of workers is still widely used in the Belgian meat sector. The posting of workers does attract the interest of Belgian companies, as in this way they can avoid the expensive national insurance contribution regime for a certain period of time. Another widespread practice to cut costs is subcontracting tasks to companies that are registered and operate in the logistics or the food commerce sectors: this enables them to take advantage of the lower wages that are provided for in the applicable collective agreements.

It is also important to highlight that meat workers employed through subcontractors - whether they are posted or not - should gain at least the minimum wage agreed at sectoral level for the Belgian meat sector. Collective agreements are binding on all the employers and employees in the sector within their scope of application.

During the pandemic, the social partners agreed on clear instructions to be implemented at company level. Sectoral guidelines paid specific attention to the work carried out by subcontractors and posted workers. Informative posters in different languages (Arabic, Romanian, Bulgarian, Polish) were required to be provided to inform workers on the risk of the pandemic and the precautionary measures to observe.

In Belgium Covid-19 has been recognized as an occupational disease in essential sectors (including the food manufacturing industry). However, this recognition is limited by clear conditions. It applied only in the period between 13 March and 17 May 2020 and only where it was impossible to maintain a social distance of at least 1,5 metres. Trade unions want to see the recognition of Covid-19 extended and strongly oppose the requirement to demonstrate the impossibility of 1,5 metre social distancing. Social distancing should always be maintained as it is the most effective manner to be protected from risk of contagion.

In 2013 Belgian authorities pushed by the Unions tried to raise international pressure on the German government in order to protect the country's meat industry. In 2013 a formal complaint was filed before

the EU Commission by the then minister for economic affairs Johan Vande Lanotte and the minister for employment Monica De Connick.

In 2012, the companies in the meat sector signed a protocol with the federal government to combat social dumping and abuses in the sector. A system of joint and several liability along the subcontracting chain applies. As a result of this legislation, working conditions in the Belgian meat sector are not comparable with those in other neighboring countries.

Denmark

EFFAT

Only 5 cases of Covid-19 have been detected so far in Denmark's meat industry.

Paradoxically the number of sick leave days decreased compared to the same period of last year. This can perhaps be explained by the increased attention on health and safety precautionary measures.

In Denmark all meat workers are covered by collective bargaining agreements and the level of trade union membership is very high.

Social distancing has been respected during the pandemic. When this has not been possible plexiglass barriers have been set up. The slaughterhouses are following the national rules for social distancing, increasing personal protective equipment, shift staggering and proper arranging of working stations.

Pig slaughterhouses in Denmark are characterized by a technologically advanced slaughtering process, which means higher levels of productivity, and the need for fewer employees in comparison with international competitors. Slaughterhouses are still widely controlled by farmers' cooperatives that date back centuries and exert considerable control over the industry. Denmark has seen a decline in the workforce employed in the sector over the last couple of decades due especially to the aggressive social dumping present in the German meat sector.

Only 25% of the total workforce are migrant workers but they are hired directly by the company. There is no subcontracting and workers live in their own accommodation.

Austria

No cases of Covid-19 have been detected so far in Austria's meat sector. All unionized enterprises with works council representatives in the sector have applied health and safety Covid-19 measures to protect workers in slaughterhouses and meat packaging plants.

The problem arises with non-unionized companies where it is difficult to assess if measures are implemented and respected properly. Social distancing is in any case an issue and works councils as well as employers in the companies are concerned with it.

Sweden

The meat sector has not been affected so far, not as a specific industry. Precautionary measures have been taken in all production facilities to ensure social distancing and minimise the risk of contagion. Precautionary measures have been respected.

The rules to respect hygiene standards in the food processing industry were already extremely strict prior to the Covid-19 pandemic.

5. EFFAT proposals for action at EU level

EFFAT

It is clear that the problems affecting the meat sector are far from being merely national. The Covid-19 outbreaks must be a wake - up call for the EU Institutions to put an end to labour exploitation and the structural issues affecting the sector over decades.

As highlighted in the introduction to this report, we need a holistic approach which encompasses various different angles. The exploitative working and employment conditions in the sector are the consequence of several factors including, inter alia, the following:

- abuse of subcontracting practices and other business practices to escape employer liability. Subcontracting is currently one of the main drivers of collective bargaining dumping, lower wages and poorer working and housing conditions;
- discrimination and the lack of equal pay and equal treatment for the same job at the same workplace;
- illegal wage deductions for working tools;
- violation of employers' responsibilities in respect of EU free movement of workers and the EU legal framework covering labour migration from third countries;
- the lack of decent housing conditions for cross-border and migrant workers, and/or housing being coupled to work contracts;
- circumvention of rules within the framework of the posting of workers;
- the lack of health and safety protection and proper social security coverage;
- the use of letterbox companies;
- illegal labour intermediation and gangmaster practices;
- the use of bogus cooperatives and consequent collective bargaining and wage dumping;
- workers being forced to work as self-employed.

as well as structural problems affecting the food chain, such as:

- unfair business practices and excessive bargaining power from retailers;
- aggressive competition at EU and international level

Evidence shows that all these issues have directly or indirectly contributed to the spread of the virus in the meat sector.

EFFAT would therefore like to stress the need for a new long-term sustainable vision for the meat sector. To achieve that, a combination of different measures should be taken at EU level in the short and medium term.

Below are some preliminary EFFAT proposals:

- EFFAT calls on the EU Commission to propose an ambitious legally binding instrument ensuring joint and several (chain) liability throughout the whole subcontracting chain providing for sanctions, back payments and compensation in case of non-respect of the applicable labour legislation – including wage floors or statutory minimum wages, circumvention and evasions of social security contributions and taxes, or violation of the rights to organise and bargain collectively.⁹

⁹ On 19 June 2020 the European Parliament has adopted the Resolution *European protection of cross-border and seasonal workers in the context of the COVID-19 crisis*. With the resolution the European Parliament calls on the Commission to propose long-term solutions to deal with abusive subcontracting practices and safeguard seasonal and cross-border

D EFFAT

The initiative should also aim at tackling the collective bargaining dumping and wage dumping which is recurrent in the meat sector. Member States should be required to ensure that all workers employed in the same workplace and involved in the same activity or the same production cycle enjoy the same working conditions and are covered by the same collective agreement. The applicable collective agreement should relate to the activity performed by the workers and should always be the most favourable one. If a sectoral collective agreement applies it should be under the food/meat sectors or applicable subbranches. Employers should be prohibited from applying other sectoral collective agreements that do not strictly refer to the tasks performed by workers in the company facility.

The need for an ambitious legal instrument on subcontracting is becoming more and more urgent. In several legislative processes, EFFAT together with the ETUC and other ETUFs pushed for strict and ambitious liability rules to be introduced for the subcontracting chains (in particular for joint and several liability in the whole subcontracting chain), but the final results did not introduce effective or adequate provisions. The measures regulating subcontracting liability at European level currently regulate only specific situations (e.g. public procurement, posting of workers, seasonal workers directive, employer sanctions directive). They are in most cases only an option for Member States or limited to one step in the subcontracting chain. Furthermore, a due diligence exception is sometimes inserted but defined at national level, not the European level. It is now time to ensure coherence among all these legislative instruments by putting forward an ambitious and comprehensive initiative on subcontracting that also aims at tackling wage dumping and collective bargaining dumping.

- EFFAT calls on the EU Commission to support and encourage the adoption of the measures proposed by the German Government to improve the situation in the meat sector. The German system of subcontracting has contributed to destroying thousands of jobs in other Member States over the last few years. Moreover, in order to remain competitive with the German meat sector, other countries have adopted similar business practices to the serious detriment of workers. The upcoming German Presidency should also help in addressing the need for action at EU level.
- EFFAT calls for an EU legally binding instrument ensuring decent housing for all crossborder, seasonal and migrant workers. A price limit for workers' accommodation should be set. Housing conditions should ensure a decent standard of living according to clear criteria. The size of the accommodation must ensure social distancing. Provisions concerning housing are included in the legal framework regulating the posting of workers or the employment of third-country national seasonal workers. But the provision of decent housing is currently missing in the applicable EU legal framework covering cross-border, seasonal and migrant workers moving across Europe within the framework of the EU free movement of workers.
- There is a crying need to accelerate the empowerment of the European Labour Authority (ELA), in particular with respect to joint and concerted inspections and the fight against undeclared work. The ELA could have played a crucial role during this pandemic in monitoring the compliance of EU laws on labour mobility, social security coordination and provision of services. It is now long time past to make sure the ELA runs at full speed and capacity.
- Covid-19 should be immediately recognised by the Commission as an occupational disease. Meat workers are part of those millions of workers that kept working hard to keep society functioning. They need official recognition of Covid-19 as an occupational disease. Governments must be required to report and record work-related cases. Compensation schemes need to be set up to cover victims of work-related Covid-19 sickness and their families as highlighted in the <u>ETUC/ETUFs letter</u> sent to the Commission on 27 April 2020.
- Commissioner for Jobs and Social Rights, Nicolas Schmit has announced a long- awaited update of the EU Strategic Framework on Health and Safety at Work. EFFAT welcomes this initiative

workers employed along the subcontracting and supply chain <u>https://www.europarl.europa.eu/doceo/document/TA-9-</u>2020-0176 EN.html

and encourages the Commission to ensure protective and precautionary measures to protect against the risk of contagion are respected throughout all workplaces in Europe. Commissioner Schmit also announced a possible **initiative on working conditions in the meat sector.** EFFAT fully supports this ambition and is eager to discuss with the Commission the possible elements of such a proposal. EFFAT also invites the Commission to further promote the <u>EFFAT-FoodDrinkEurope joint Guidelines</u> to protect the health and safety of workers in food business during the Covid-19 outbreak

- Long-term solutions can only be effective if they aim to tackle the imbalances and distortions of competition affecting the meat value chain. It is particularly important to address the excessive bargaining power of retailers and mitigate the consequences of unfair cross-border European and international competition. EFFAT's demands on food labelling and responsible food consumption should also be taken on board by the EU Commission. In this respect EFFAT calls on the EU Institutions to ensure EFFAT demands on the Farm to Fork Strategy are met. (See EFFAT's Demands on the Farm to Fork Strategy | EN | FR | DE).
- EFFAT calls on Member States to ensure the prompt revision of Regulation 883/2004 on the coordination of social security. The Covid-19 pandemic has highlighted all the shortcomings of that Regulation. The current crisis also clearly demonstrates that there is an urgent need at European level for the optimal functioning of the Electronic Exchange of Social Security Information (EESSI) and the urgent introduction of a European Social Security Number (ESSN) and Insurance Status Verifier.
- The **revised posting of workers Directive** should be transposed swiftly in all Member States. Compliance and enforcement should be ensured by Member States and the Commission. EFFAT affiliates have also reported significant problems related to the (common) transportation and the accommodation of posted workers.
- The announced **EU initiative on due diligence** should be binding and ambitious. This pandemic shows that it is necessary to introduce mandatory measures to ensure the full respect and enforcement of human rights, including workers' and trade union rights, in companies' activities as well as throughout their subcontracting and supply chains and franchise systems, at national and cross borders level.
- Effective measures to render superfluous the use of letterbox companies should be considered, such as direct liability in employment relationships even if they involve intermediaries, the introduction of the real seat principle in EU company law and financial transparency in the form of public country-by-country reporting.
- The current EU legal framework governing regular migration channels (family reunification, long-term residency, seasonal workers, Single Permit Directive) should be improved to ensure uniform rights at work, equal treatment, higher protection in the labour market and adequate enforcement measures for the EU acquis. The EU should pursue the improvement of the working and living conditions of all workers and their family members regardless of their migration status.
- The upcoming EU initiative on fair minimum wages should aim at promoting sectoral collective bargaining and guarantee the respect for workers and trade unions rights including access to site and the right to organize and bargain collectively.