



ELA Activities in the Construction Sector (2023-2024)

This booklet provides an overview of ELA's activities in the construction sector in 2023-2024 aimed at improving cross-border workers' and companies' conditions in the construction sector:

- summary of the main achievements,
- challenges, and
- lessons learned.

ELA's objectives in the construction sector

1. To improve accessibility and availability of information on the applicable rules on posting of workers.

For this purpose, ELA developed and disseminated an EU-wide awareness raising information campaign and various information materials, such as leaflets and videos, and organised dedicated in person information events.

2. To support Member States in tackling abuses and circumvention of the applicable legislation and increase their participation in cross-border enforcement activities.

For this purpose, ELA facilitated and coordinated cross-border inspections in the construction sector and information exchanges among national authorities.

3. To build a more coherent understanding of the legal context, existing challenges, and the requirements for cross-border

cooperation and procedures among national authorities.

In order to achieve this objective, ELA organised a series of events with national experts and stakeholders to share experiences, good practices, and recommendations.

4. To address labour shortages in the construction sector by providing tailored support to employment services and advisers.

To this end, the EURES network facilitated recruitment events and training webinars specific to the construction sector, promoting job opportunities and providing practical advice.



All these objectives were supported by **analytical work** with the main outcome, the [*ELA report on the provision of information, enforcement, social security coordination and cooperation between Member States in relation to the posting of workers in the EU construction sector*](#) and complemented by many **capacity building activities** to provide training and guidance on how to detect and prevent fraudulent practices.

Analytical Report focused on the construction sector

The [*ELA report on the provision of information, enforcement, social security coordination and cooperation between Member States in relation to the posting of workers in the EU construction sector*](#), published in September 2023, identifies the challenges and opportunities in EU labour mobility in the construction sector by analysing labour mobility patterns, exploring issues identified by national authorities and social partners, and providing examples of effective approaches.

Main findings

Construction Sector in the EU:

Vital to EU economy, employing 13 million people and contributing with some 5.5% of gross value added (GVA), the sector is characterised by subcontracting and use of temporary work. There are prevalent labour shortages among EU Member States.

In 2021, one in four Portable Documents A1 (PDs A1) was issued for services in the EU construction sector (this equates to a rough estimate of 833,000 PDs A1 issued for services in the sector).

Germany is the primary receiving country of posted workers in the construction sector.

Poland and Germany are the main sending countries of posted workers in the sector.

Most member states recovered from COVID-19 pandemic effects in 2021.

The most widespread violations and abusive practices in the sector include:

- non-compliance with working conditions, including occupational health and safety (OSH),
- undeclared work:
 - bogus self-employment,
 - fraudulent PD A1 form,



- fraudulent posting of third-country nationals (TCNs),
- use of letterbox companies.

Additional challenges faced by third-country nationals (TCNs):

Posting of TCNs is common in the construction sector. The report reveals issues related to the employment of TCNs in the EU construction sector such as:

- dependence on employers,
- language barriers,
- irregular employment,
- non-payment of social contributions, and
- increased occupational safety and health (OSH) risks.

Labour inspectorates often lack sufficient financial and staff resources to address the violations and abusive practices in the sector. They also face difficulties in identifying certain factual elements in the posting context. Moreover, the imposition of sanctions and their effective enforcement may be difficult in a cross-border situation.

Useful tools

Checklist for genuine posting – a practical tool to help labour inspectorates to assess whether a specific posting case can be considered as genuine.

Improved cooperation among Member States and **improved access to information using Internal Market Information (IMI) system** concerning sanctions (to enhance cross border enforcement of sanctions).

Good inspection practices:

- use of interpreters and mediators during the inspection to communicate with posted workers.
- use of digital tools: remote access to relevant

documents and national databases during inspection,

- freezing of assets of foreign employers as enforcement measure,
- targeting of the inspection and good preparation,
- coordinated approach with other relevant authorities and joint inspections to check different aspects related to labour mobility and social security,
- cross-border cooperation (info exchanges between sending and receiving countries, including bilateral agreements, cross-border inspections supported by ELA).

Measures to prevent non-compliance:

The report identifies several measures that could be taken to prevent non-compliance:

- social ID cards,
- subcontracting chain liability schemes to make it possible to identify the actors in these chains, limitations on subcontracting, and
- specific public procurement rules.

Information provision:

Posted workers and their employers are not always fully aware of their rights and obligations, despite numerous initiatives to improve the communication of relevant information by social partners, Member States and the European Commission.

Availability, quality and accessibility to understandable information could be improved by:

- focusing on information provision in the sending Member State,
- encouraging user undertakings and main contractors to proactively inform posting employers about wages and working conditions,
- further harmonisation of national websites,
- developing interactive user-friendly tools for workers and employers,
- providing step by step guide for employers,
- continuing to support with information translation.

Labour and Skill Shortages:

The sector struggles with labour shortages and, although some cross-border initiatives exist to address these shortages, they are often hampered by language and cultural differences as well as limited recognition of skills

and qualifications.

Awareness raising information campaign: #EU4FairConstruction

The “EU for Fair Construction” campaign, launched by the European Labour Authority aimed to raise awareness in the construction sector regarding fair labour practices. It was officially launched on October 17, 2023, in Helsinki, Finland, with the hashtag #EU4FairConstruction. The main campaign period spanned from Q4 2023 to Q2 2024.

Key components of the campaign included an active social media presence, outdoor advertising (billboards, digital screens, bus stops, metro stations, on buildings and more) in selected Member States, and engagement with representatives from all Member States and EU social partners. Campaign materials were gradually released on the ELA campaign website at this link: <https://www.ela.europa.eu/en/campaigns/eu-fair-construction>

The campaign featured a series of videos targeting both employers and workers, covering topics such as: “Posting of Workers,” “PD A1 Document,” and “Subcontracting,” “Working Conditions,” “Actions Before Posting,” and “Collective Agreements.”; “Third-country nationals” and “Temporary Work Agencies.”

Thematic weeks were organized throughout the campaign, focusing on specific topics such as “Posting,” “Working Conditions,” and “Subcontracting.”

The results of the campaign were highly encouraging, demonstrating significant reach and engagement across multiple platforms.

ELA’s information activities addressing the construction sector



ELA has published a **leaflet on posting in the construction sector** *Know your rights and obligations* available on ELA Website in multiple languages (EU and non-EU) to provide information to workers and employers about their rights and obligations. Link at <https://op.europa.eu/en/publication-detail/-/publication/b484c5e6-05af-11ee-b12e-01aa75ed71a1/language-en/format-PDF/source-309918353>

Information events for employers

ELA organised several information events in 2023. The information events aimed to provide, with support from ELA, local employers with information from national authorities from their Member State as well as selected receiving countries about the procedures, rights and obligations about posting in the construction sector. The first information session took place on October 2023 in Brussels, to inform Belgian employers about labour mobility and posting in the construction sector to and from Belgium with a special focus on posting towards the Netherlands, Germany and France. Other information events were organised in Bulgaria, Slovenia, Greece and Slovakia.

ELA is always looking for new partners for local information events! If you are interested in partnering with us, [contact ELA](#).

Specific activities of the EURES network

European (Online) Job Days (E(O)JDs)

E(O)JDs are dynamic recruitment events that bring jobseekers and employers together. Jobseekers can find not only recruitment opportunities but also practical information and advice from EURES Advisers and other employment professionals. Employers enjoy free and direct access to a huge pool of European jobseekers interested in working in different places.

In 2023 the following E(O)JDs offering job opportunities in the construction sector took place:

- European Online Job Days (online recruitment event) dedicated to the construction sector [Building Ireland: Jobs in construction and engineering](#), 11 May 2023,
- European Online Job Days (online recruitment event) dedicated to the construction sector [Work in Flanders](#), 16 October 2023,
- European Online Job Days (online recruitment



event) dedicated to the construction sector [Building Ireland's Future: Careers in Construction](#), 30 November 2023.

2023 ELA Labour shortages and surpluses report

ELA published in 2023 a new edition of [ELA Labour shortages and surpluses report](#), with a section dedicated to the construction sector. In connection with the publishing of the report, ELA organised a launch event of the report: 'Building workers to construct Europe – How to deal with labour shortages?' that took place on 18 April 2024 in The Hague, The Netherlands.

Labour shortages in the construction sector are influenced by factors such as an aging workforce, the outflow of workers to other Member States, and the attractiveness of the sector in terms of wages and working conditions. Additionally, the structure of employment, characterized by extensive subcontracting and high levels of temporary and self-employment, alongside the sector's reliance on foreign workers and evolving skill requirements due to green and digital transitions, further contribute to these imbalances.

Support for cross-border enforcement activities in construction sector

Since 2021 ELA has supported over 160 inspections, including **50 CJIs in the construction sector**.

The majority of them took place during **3 dedicated weeks of action**.

<https://www.ela.europa.eu/en/news/26-multinational-construction-worksites-checked-across-eu>

Added value of CJIs in construction:

- increased trust of inspected workers to authorities speaking their language,
- increased trust between national authorities,
- increase of workers' awareness on their right,
- detected violations of the rules.

ELA's support is very concrete and hands-on. It included identification of competent authorities, organisation of preparatory meetings, briefings, debriefings, and follow-up meetings, logistical support, translation of case-related documents and interpretation and now also analytical support.

Many of the CJIs focused on important construction sites and development areas in the countries and regions concerned involving big number of employers/subcontractors and employees.

The choice of the controlled workplaces was often **driven by a risk analysis**, which included current data, information on breaches from previous inspections as well as data on posting of workers with particular employers. Several CJIs were concerned with particular activities in the construction sector, which are labour-intensive demanding a high number of low-paid workers (e.g. laying of high-speed fibreoptic cables).

Major trends identified during inspections:

Posting of third country nationals (TCNs) in the construction sector

Across various Member States, a recurring pattern emerged where numerous violations concerning TCNs were linked to legislation governing working and resting times, substandard accommodation arranged by employers, the presence of letterbox companies, discrepancies in social security contributions, undeclared work and lapses in tax payments.

Labour exploitation

Low wages, long hours, unsafe working conditions, lack of

benefits, trafficking of human beings

Occupational Safety and Health (OSH) violations

OSH violations often involve unsafe working conditions (work in height), lack of protective gear, inadequate training, exposure to harmful substances, lack of maintenance of the machinery in use

The main challenges identified in the sector during the inspections:

- identification of risky companies and where they operate,
- letterbox companies,
- long contracting chains ,
- high rate of employee turnover and specific mobility of the sector,
- the increasing use of third country nationals(TCNs) – specifically language barriers and uncertainties related to legality of stay,
- undeclared or under-declared work,
- health and safety.

Specific actions to support tackling undeclared work in the construction sector

Platform subgroup meeting on Evaluating social/labour ID cards



The Platform subgroup meeting on Evaluating social/labour ID cards as a tool for tackling undeclared work, took place in April 2023. The overarching aim has been to evaluate the use of social/labour ID cards as a tool for tackling undeclared work, including in subcontracting chains. The objective has been to learn from the experiences of countries, that have implemented social/labour ID cards, about the challenges involved, what works and what does not, and to identify good practices regarding the use of social/labour ID cards for tackling undeclared work.

Output paper of the Platform subgroup at <https://www.ela.europa.eu/sites/default/files/2023-12/output-paper-evaluating-social-labour-ID-cards-2023.pdf>.

Seminar on Undeclared work in the construction sector

The aim of the Platform seminar on undeclared work in the construction sector was to explore existing practices, tools and approaches that deal with undeclared work in the construction sector, in particular in relation to household repair, maintenance and improvement (RMI).

Learning resource paper of the Platform seminar on construction: https://www.ela.europa.eu/sites/default/files/2023-12/UDW-learning-paper_undeclared-work-construction-sector.pdf

Seminar executive summary: https://www.ela.europa.eu/sites/default/files/2023-12/Executive-summary_seminar_undeclared-work-in-the-construction-sector.pdf.

Targeted capacity building activities

ELA's focus on construction was supported by several capacity building activities, e.g.:

The **workshop on challenges in the construction sector**, in February 2023, an event was organised for labour and social inspectors from all Member States, and representatives of other competent authorities that deal with posting and other cross-border phenomena in construction.

The **2023 Call for good practices** included a construction sector topic. Selected good practices are available on ELA website.

Training on Document Fraud for national enforcement authorities.

National training centres workshop, with simulations of

inspections in the construction sector, for labour inspectors in Lyon, France.

Training for the pool of inspectors, introducing a construction training module.