

Minimum wage requirements within Europe in the context of posting of workers





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A portrait of Mădălina Racovițan, a woman with long dark hair, wearing a white shirt and a blue necklace. She is smiling and looking towards the camera. The background is a blurred image of a red vehicle with a dashboard and a tire. A large blue diagonal shape is overlaid on the bottom right of the image, containing a quote.

Mădălina Racovițan

Partner, Head of People Services

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Our main purpose for the KPMG Guide on Posting of Workers is to give companies an overview of the potential costs and obligations related to mobile workers. The intention is for employers to understand the general principles around posting of workers, in order to be able to properly plan the activity of their workforce. Also, the guide includes information on the minimum wage levels and specific registration procedures required in each of the Member States.

Foreword

The freedom to provide services across EU Member States is one of the cornerstones of the Single Market. Free movement of services means that companies can provide a service in another Member State without needing to establish themselves in that country. To do that, they must be able to send their employees to another Member State to carry out the tasks required.

Regulating the working conditions applicable to those workers is therefore necessary for the smooth functioning of the Single Market. And regulations are becoming clearer but also stricter, with every passing year.

In this respect, when using posted workers, employers must make sure they comply with the labor law requirements of the

Posting Directive – including minimum wage requirements, as well as the country-specific requirements under the Posting Directive and the Enforcement Directive in relation to registration with the host country authorities, prior to the date of arrival.

Amid globalization, digital transformation and greater desire for flexibility, compliance with legal requirements is creating an extraordinary challenge for organizations.

To help companies meet their legal obligations in relation to posting of workers, KPMG has initiated a series of annual surveys covering minimum wage and registration requirements within the European Union, European Economic Area and Switzerland.

This guide is not an exhaustive list of all possible risks and obligations. The legislation around postings is still subject to change and in some cases still leaves room for interpretation. Therefore, there is no recipe or generally applicable rule across the EU. Each posting should be looked at individually and analyzed on a case by case basis.

Given the complexity and the multitude of issues around international postings, and the severity of the penalties for non-compliance, it is highly recommended that employers posting employees abroad should seek expert guidance on minimum wage legislation.

General overview

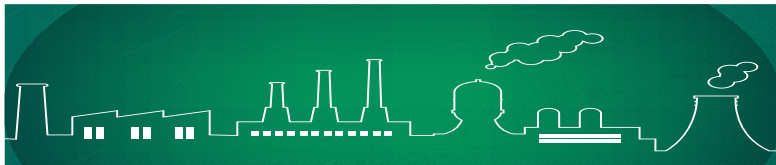
This part of the KPMG Guide on Posting of Workers is meant to give companies a clearer view on what a posting is, how it is regulated and what are the main changes which may have an impact from a cost or compliance perspective.





A posted worker is an employee who is sent by his/her employer to carry out a service in another EU Member State **on a temporary basis, in the context of a contract of services, an intra-group posting or a hiring out through a temporary agency.**

Does the nature of the activity matter?



In some countries, exemptions may apply in the case of non-income generating activities such as training or internal meetings. However, since these cases are not clearly dealt with in the Posting Directive, the domestic requirements should be carefully observed.



Is the business traveler a posted worker?

Not all countries define a posted worker in the same way. In some countries business travelers are subject to the same requirements as posted workers, while in others, they are not. Especially when it comes to registration procedures, business travelers may be treated differently.

However, business travelers are a very complicated subject and we recommend checking the applicable regulations in each host location.

What are the rights of a posted worker?

EU law sets out a set of mandatory rules on the terms and conditions of employment to be applied to posted workers and its main purposes are:

- To guarantee that these rights and working conditions are protected throughout the EU
- To ensure a level-playing field and avoid social dumping where foreign service providers can undercut local service providers because their labor standards are lower.

These rules establish that, even though workers posted to another Member State are still employed by the home company and are subject to the law of the home Member State, they are entitled to a set of core rights in force in the host Member State:

Minimum rates of pay

Maximum work periods and minimum rest periods

Minimum paid annual leave



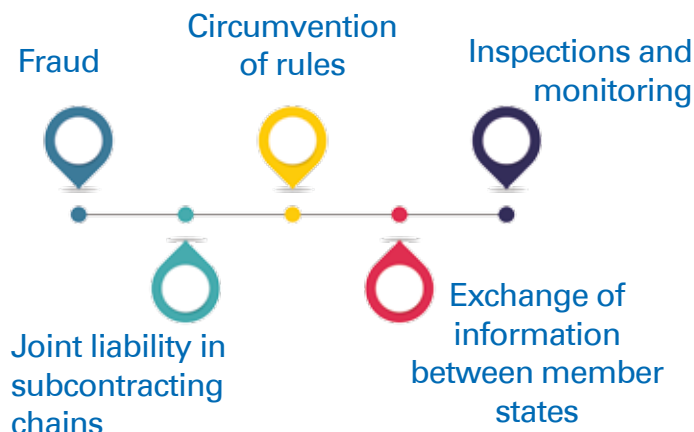
The conditions of hiring out workers through temporary work agencies

Health, safety and hygiene at work

Equal treatment between men and women

What is the applicable legislation?

The abovementioned rules are set out in the **Posting of Workers Directive** which was adopted in 1996. In 2014 the **Enforcement Directive** was adopted with the aim of strengthening the practical application of the **Posting of Workers Directive** by addressing issues related to:



On 8 March 2016, the European Commission proposed a revision of the rules on posting of workers within the EU to ensure they remain fit for purpose. The Commission proposal was adopted on 28 June 2018.

The main changes introduced by the **revised Directive** are as follows:

Remuneration of posted workers

Posted workers will be entitled to all the mandatory elements of remuneration (instead of the “minimum rates of pay”).

The intention is that all the rules on remuneration that are applied generally to local workers will also have to be granted to posted workers. Remuneration will not only include the minimum rates of pay, but also other elements such as bonuses or allowances where applicable. Member States will be required to specify in a transparent way the different elements of how remuneration is composed on their territory. Rules set by law or universally applicable collective agreements become mandatory for posted workers in all economic sectors.

Subcontractors

The proposal also gives the possibility to Member States to provide that **subcontractors need to grant their workers the same pay as the main contractor.**

Nevertheless this can only be done in a non-discriminatory way: the same rule must apply to national and cross-border subcontractors.

Long-term posting

For long-term postings (longer than 12 or 18 months), **an extended set of terms and conditions** of employment of the receiving Member State will apply.

Road transport workers

For **the road transport sector**, the rules of the revised Directive apply only from the date of application of the sector-specific rules proposed by the Commission (the so-called “lex specialis”) and under discussion between the European Parliament and the Council. Until that date, the rules of the 1996 Posting of Workers Directive remain applicable to the sector.

Allowances and other expenses

The rules of the receiving Member State on workers’ **accommodation and allowances or reimbursement of expenses** will also apply to posted workers during the posting.

Temporary agency

The proposal will also ensure that **national rules on temporary agency work apply when agencies established abroad post workers.**



This revision promotes the principle that the same work in the same place should be remunerated in the same manner.

The Directive must be transposed into national laws by 30 July 2020 and cannot be applied before that date. However, France, one of the promoters of the New Directive, has already implemented it in its national legislation.

Main findings

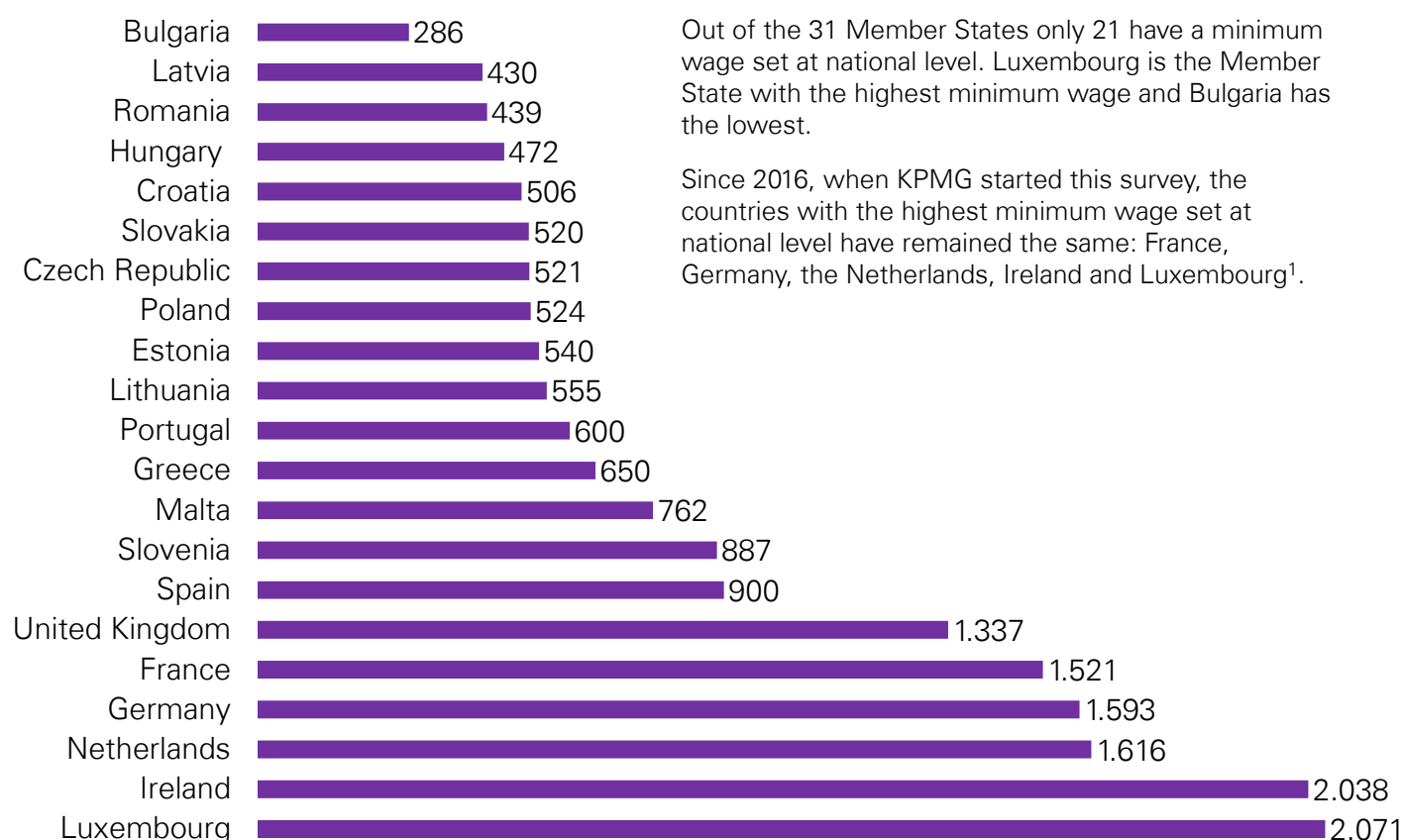
This part of the KPMG Guide on Posting of Workers provides an overview of the minimum wage requirements within the European Union, European Economic Area and Switzerland (hereafter referred to as “the EU, EEA Member States and Switzerland”). In this section, we detail our main findings with respect to the minimum wage levels across the EU, EEA Member States and Switzerland, trends observed and conclusions.



The information presented in this report is based upon a brief survey covering issues relating to minimum wage requirements and compliance requirements with respect to postings to 31 countries within the EU, EEA and Switzerland, valid for March 2019.

This information is of a general nature and it is not meant to cover all situations which might occur. It is consequently recommended that, prior to posting an employee to a Member State, the employer should cross-check the information herein with specialized consultants or lawyers in the relevant country, including making a check as to whether there have been any recent changes to the domestic legislation of the Member State concerned.

What is the minimum wage within the EU/EEA/Switzerland?



¹ Germany: EUR 9.19/hour; 40 hours/week, 4.3333/month

Ireland: EUR 9.8/ hour; 48 hours/week, 4.3333 weeks/month

Malta: EUR 175.84/week, 4.3333 weeks/month

UK: £8.21/hour, 7 hours/day, 4 weeks/ month

Local currencies have been exchanged into EUR using the exchange rate valid on 4 March 2019

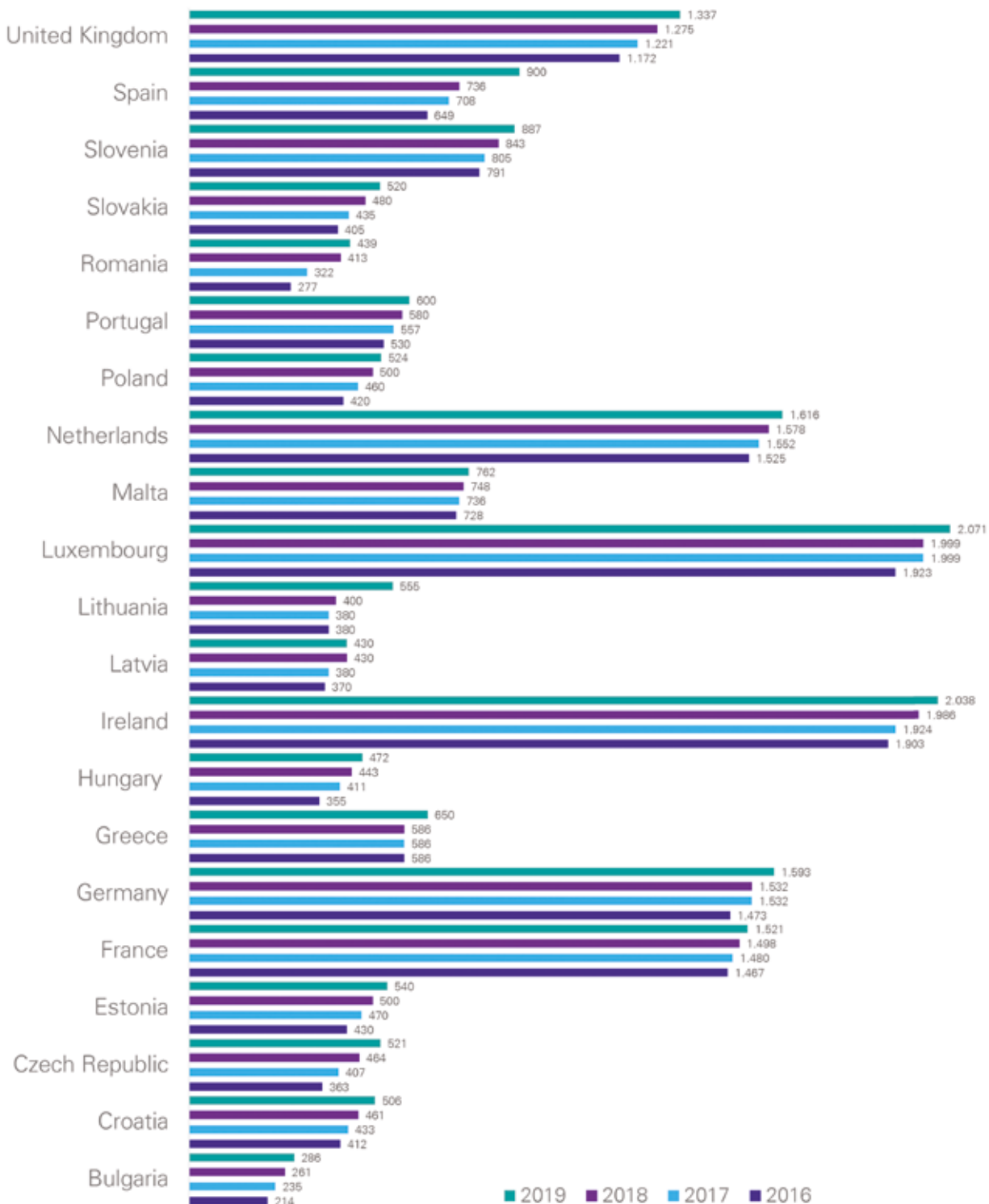
How has the minimum wage changed over time?

Generally, the minimum wage set at national level changes on an annual basis.

Changes in the minimum wage have a direct impact on the costs of the employer making the posting. Therefore, companies must be constantly on the lookout for any changes in the minimum wage requirements and adjust the remuneration of their mobile employees accordingly.

In the last four years, all countries under review have registered increases in the level of their minimum wage.

Minimum wage set at national level (EUR)



Do all countries have a minimum wage?

Out of these 21 countries which have a minimum wage set at national level, some also have a minimum wage set through collective bargaining agreements (hereafter CBAs).

The rest of the Member States either have a minimum wage set through CBAs only or do not have a minimum wage² at all:

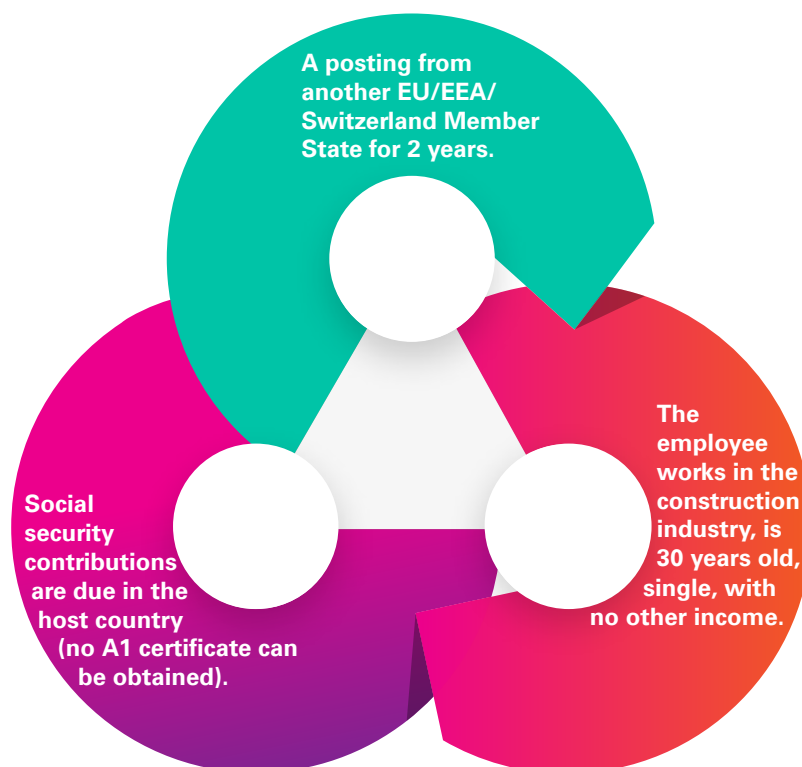


² In Cyprus, a minimum wage exists but only for a limited number of occupations

What happens when a Member State has a minimum wage set both at national level and through CBAs?

Where CBAs apply, the applicable minimum wage can be different from the one set at national level.

Let's consider the following scenario:



**All calculations and graphic representations presented hereafter are based on the assumptions mentioned in the scenario above*

For this specific scenario, the applicable minimum wage may differ from the one presented above, in those Member States where CBAs exist for the construction industry.

For example, in the construction industry, the highest minimum wage is paid by Ireland - EUR 3,544 - which has now overtaken Luxembourg, the Member State with the highest minimum wage set at national level - EUR 2,071.

Spain has a minimum wage applicable in the construction industry higher than the standard one as well, - EUR 1,353 compared to EUR 900.

A big change has taken place in Romania where the minimum wage applicable in the construction industry is significantly higher than the standard one - EUR 633 compared to EUR 439 - moving Romania eight places up in the ranking.

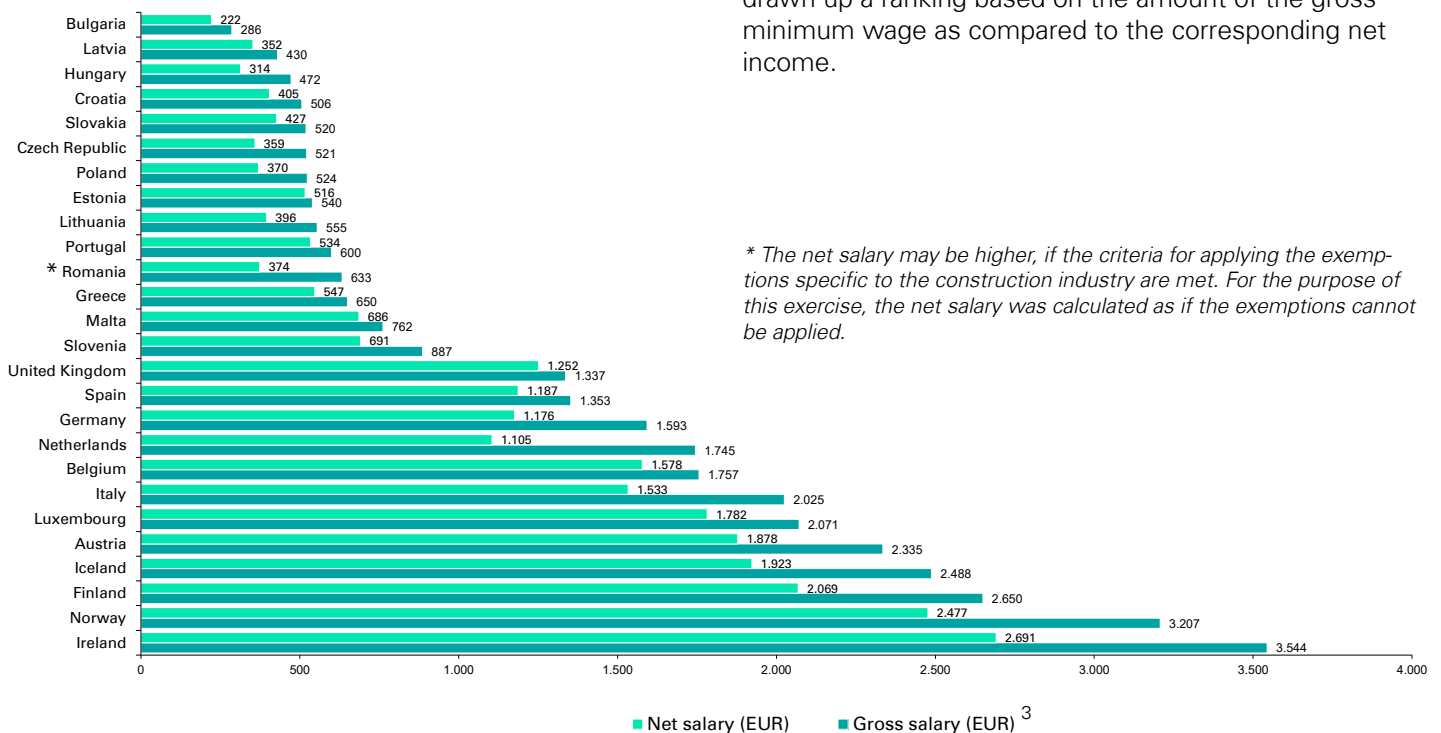
The rest of the Member States have the same salary applicable for the construction industry as the standard one and thus they maintain their position in the general ranking.



Is the minimum wage gross or net?

The minimum wage is usually a gross amount, before income tax and social security contributions. Therefore, when comparing the ranking of gross salaries with that of net salaries, some countries may switch places.

For the scenario we have set out, we have determined the net income corresponding to the gross minimum wage (the amount which will actually be received by the employee) in each of the Member States and we have drawn up a ranking based on the amount of the gross minimum wage as compared to the corresponding net income.



* The net salary may be higher, if the criteria for applying the exemptions specific to the construction industry are met. For the purpose of this exercise, the net salary was calculated as if the exemptions cannot be applied.

Even when looking at net amounts, Ireland and Luxembourg remain the Member States with the highest minimum wage.

Countries which do not have a minimum wage set at national level at all, and which only have a minimum wage set through a CBA (i.e. Norway, Finland, Iceland, Austria, Belgium, Italy), are also placed at the higher end of the ranking.

When looking strictly at the net amounts, certain countries switch places in the general ranking. This is due to the different tax burden borne by the employee according to the domestic tax legislation of each Member State.

³ Ireland: EUR 17.04/ hour; 48 hours/week, 4.3333 weeks/month

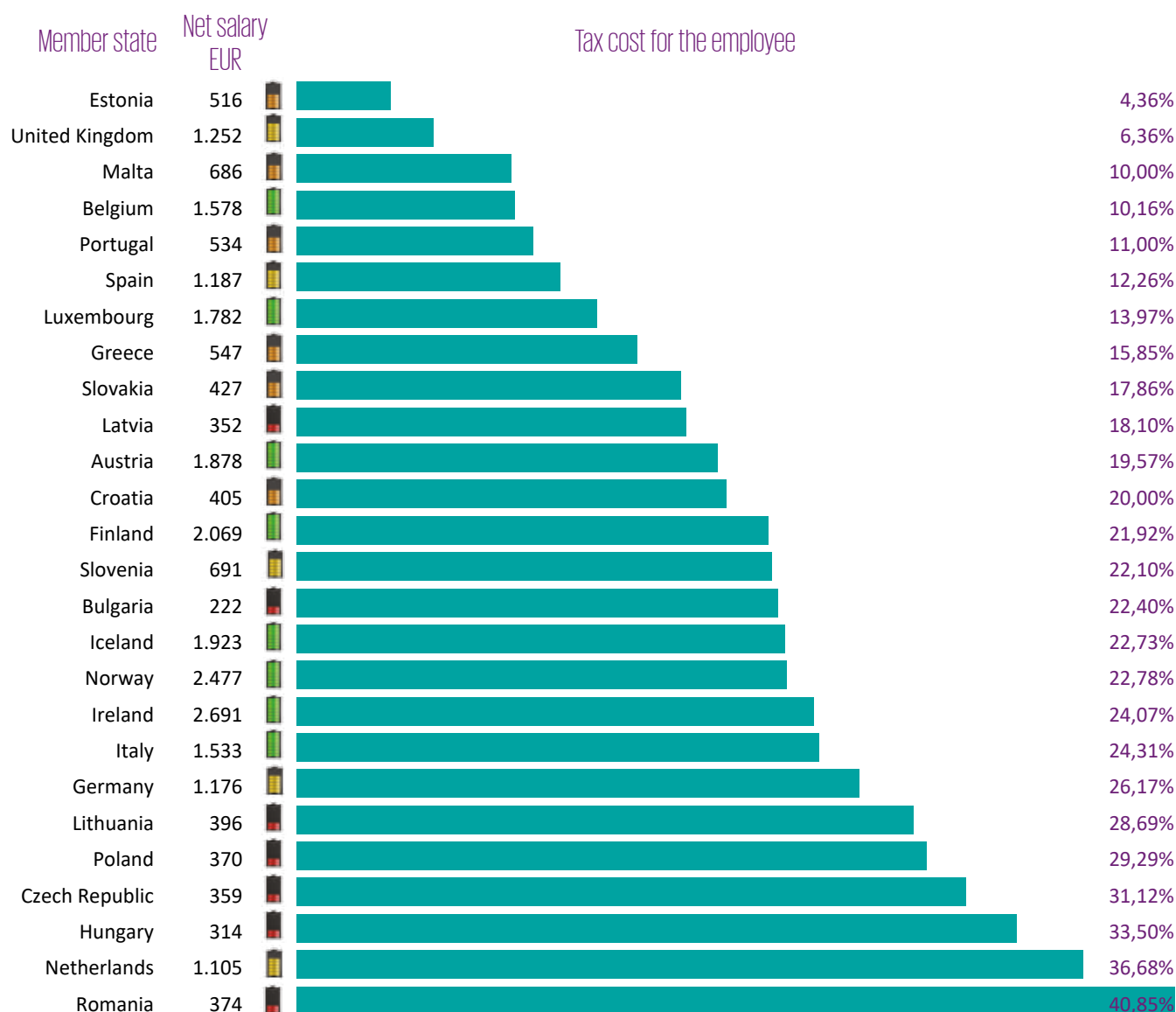
The Netherlands: The calculation is based on a gross monthly minimum salary of EUR 1,615.80 (employees of 22 years and older). Normally the minimum holiday allowance of 8% will be paid once a year (for example in May). Subsequently we used a yearly gross salary of EUR 1,615.80*12.96= EUR 20,940.77 resulting in a gross monthly amount of EUR 1,745.

Out of the 31 Member States, Cyprus and Sweden do not have a minimum wage, Switzerland cannot assess the Swiss reference salary level on the basis of the information provided in the scenario, Denmark does not have a minimum wage for the construction industry and France needs more information in order to correctly determine the applicable taxes. Therefore, in the above graphic you can see the comparative net and gross minimum wages applicable in the remaining 26 Member States, for the scenario we have set out

How much is the cost for the employee⁴?

Surprisingly, countries with low minimum wages have higher employee tax costs. While Ireland, the country with the highest net salary (for the scenario concerned), has a tax burden of 24.07% for the employee, countries

with the lowest minimum salaries, like Hungary and Bulgaria, have tax costs for the employee of 33.5% and 22.4%, respectively.



The highest 25% of the net minimum salaries. Net minimum wages above EUR 1,512 are included here.

The second highest 25% of the net minimum salaries. Net minimum wages between EUR 688 and EUR 1,512 are included here.

The second lowest 25% of the net minimum salaries. Net minimum wages between EUR 398 and EUR 688 are included here.

The lowest 25% of the net minimum salaries. Net minimum wages below EUR 398 are included here.

For the scenario concerned, the highest cost for the employee is actually in Romania (40.85%), the country with the second lowest standard net minimum wage in the EU (sixth lowest net minimum wage, if we consider the construction industry) in the EU.

⁴ Cost for the employee was calculated as total taxes covered by the employee (i.e. income tax and employee social security contributions) divided by the total gross salary.

What can be included in the minimum wage?

The Directive clearly states that allowances specific to the posting are to be considered part of the minimum wage, unless they are paid to reimburse expenditure on travel, board and lodging.

The concept of minimum rates of pay is defined by the national law and/or practice of the Member State to whose territory the worker is posted, the so called Host Country. Therefore, differences may appear, depending on each Member State's domestic legislation.

For example, certain bonuses or allowances are constituent parts of pay in some Member States but not in others. Bearing this in mind, the country-by-country section of the report includes information on which salary items can be considered as part of the minimum wage in accordance with the domestic legislation of each country.

The absence of a clear definition of the constituent elements of pay results in legal uncertainty and practical difficulties for the bodies responsible for the enforcement of the rules in the host Member State, for the service provider when determining the wage due to a posted worker as well as for the awareness of posted workers themselves about their entitlements.

Moreover, if some of those bonuses or allowances have a favorable tax treatment (in the home or in the host countries), companies may try to abuse and use those remuneration items to boost base salary up to the minimum required level.

Please see below, the general treatment of some of the common additional items of remuneration, in each of the Member States. However, there may be exceptions / limitations to these general rules, therefore we encourage you to check the Country - by - Country section for a more detailed explanation on what can be included in the minimum wage.

Member State	Per-diem	Special payments ⁵	Bonuses
Austria			
Belgium			
Bulgaria			
Croatia			
Czech Republic			
Estonia			
Finland			
France			
Germany			
Greece			
Hungary			
Iceland			
Ireland			
Italy			
Latvia			
Lithuania			
Luxembourg			
Malta			
The Netherlands			
Norway			
Poland			
Portugal			
Romania			
Slovakia			
Slovenia			
Spain			
Switzerland			
The United Kingdom			



Apart from the minimum wage requirements, what else should the employer keep in mind when planning an international assignment?

As mentioned in the General overview section, certain core rights of the employee must be respected, including the minimum wage to which the employee is entitled. In addition, the companies involved may have some other administrative obligations.

In 2016, when KPMG first started this survey, postings did not need to be notified to the labor authorities in all of the host Member States, but as countries have started to implement the Enforcement Directive, this requirement has become mandatory in all Member States.

Currently, in most Member States, with the exception of Norway and the United Kingdom, either the home or the host entity is legally required to inform the labour authorities in the host Member State with respect to the employee's activity in that country.

In some cases, the home entity may even have to appoint **a representative in the host Member State** to act as a contact person for the authorities. Even though this is merely an administrative procedure, penalties may be imposed in the case of non-compliance, so companies are advised to investigate the requirements applicable in the host country where the employees are performing activity.

Please see the Country-by-country section for more details on the necessary registration procedures.

Country-by-country report



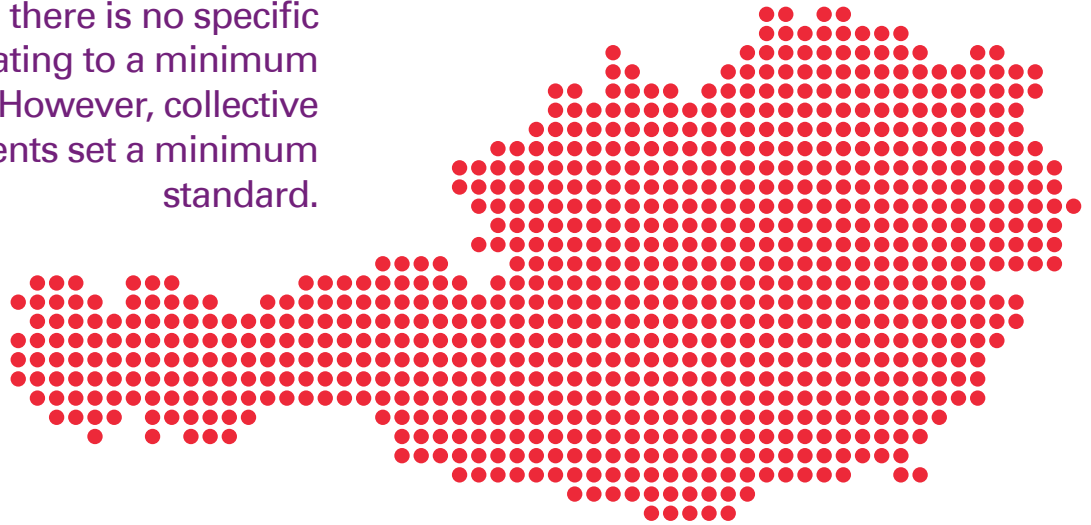
The Country by Country section includes information specific to each Member State on:

- Minimum wage requirements and what can be included in the minimum wage
- Working time
- Status of implementing the Enforcement Directive
- Registration requirements and
- Penalties for non-compliance and public sources of information.



Austria does not have a minimum wage set by law, as there is no specific legislation relating to a minimum wage requirement. However, collective bargaining agreements set a minimum standard.

Austria



1. Minimum wage at national level

Austria does not have a minimum wage set by the law, as there is no separate legislation relating to a minimum wage requirement.



2. Minimum wage set through collective bargaining agreements (or minimum wage scales)

If the rules of the Anti-Wage and Social Dumping Act (LSD-BG) are applied, the Austrian minimum wage regulations must also be complied with.

Collective bargaining agreements (or minimum wage scales) set a minimum standard. The minimum wage in the bargaining agreements changes annually. Every year there is a percentile increase of the minimum wage. Some industries raise the minimum wage at the beginning of the year, while others change it during the year (e.g. 1 November).

The minimum wage is determined based on industry (retail, construction, metal, print and paper, and service industry) and on the occupation of the

employee (depending on the qualification of an employee, the employer has to assign a rating at the beginning of the employment).

Furthermore, foreign employees are entitled to allowances such as Christmas bonus, holiday allowance and overtime premiums. Except for overtime salary, these allowances are only granted if the bargaining agreement (or the minimum wage scale) regulates it. Otherwise the employee is not entitled to them. Generally (unless otherwise provided for by the collective bargaining agreement) these allowances are granted on the basis of the monthly wage.



3. What can be included in the minimum wage

In order to avoid sub-payment of administrative penalties applied since May 2011, every foreign employee working in Austria must receive the minimum wage which is stipulated in Austrian law, the applicable collective agreement or the minimum wage scale: Since 2015, claims for surcharges, other surcharges and overtime pay have also been included in the minimum wage basis. On the other hand, expense allowances (such as lump sums) cannot be credited against the minimum wage.

On the other hand, expense allowances (e.g. taxfree per-diems) cannot be credited against the minimum wage.

If national Austrian provisions provide a title to special payments, monthly pro-rated portions must be paid out to the employee. Since 1 January 2017, this has also applied for supply of temporary workers.

The only exemptions from the minimum wage requirement are remuneration components, which are non-contributory according to Section 49 para 3 (e.g. expense reimbursements, tax and non-contributory daily allowances, dirt-surcharge) of the Austrian General Social Insurance Act (Allgemeines Sozialversicherungsgesetz - ASVG), as well as remuneration components which are only due according to the individual employment contract or company agreements (e.g. special payments, performance bonus).

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	taxfree Per-diems
Overtime payments	Housing (if expense reimbursement)
Bonuses	Transportation costs
Surcharges (eg overtime surcharge (50%/100%), shift bonus, hardship allowance, hazard bonus)	Meal costs, dirt surcharge
Special payments (Foreign service premium, Cost of living allowance, Hardship premium, Country allowance, Assignment allowance)	Severity allowance
Idle time compensation	Performance bonus



4. Legal hours

Since 1 September 2018 the maximum legal hours have not been permitted to exceed 12 per day and 60 per week.

5. Implementation of Enforcement Directive 2014/67/EU

In the course of amendment of (in particular) trans-border measures to combat Wage and Social Dumping EU Directive 2014/67 has been tightened and new regulations came into force starting from 1 January 2017 in the form of a special Law against Wage and Social Dumping ("Lohn- und Sozialdumping- Bekämpfungsgesetz" – "LSD-BG").

The LSD-BG is also applicable for employees assigned or hired-out from foreign countries to Austria i.e. for employees of foreign employers.

The above mentioned provisions are applicable for any kind of activity carried out in Austria. However there are exemptions ("list of exceptional cases") for certain short-term, small-scale activities in Austria which are not considered to be an assignment or hiring-out of employees, if the work carried out is not considered to lead to competitive distortions in Austria.

6. Registration requirements

In the case of transnational posting of (temporary) workers, who are employees, by a company based in the EEA or Switzerland, these must be reported prior to commencement of work to the Central Coordination Office for the control of Illegal Employment (in German: "Zentrale Koordinationsstelle des Bundesministeriums für Finanzen für die Kontrolle illegaler Arbeitnehmerbeschäftigung") (for posted employees by use of form ZKO 3, for temporary employees

by use of form ZKO 4). For this purpose, only the electronic forms of the Federal Ministry of Finance may be used.

The most important exemptions are highlighted below. Please note that these exemptions are applicable for short-time assignments only (as defined), except for the last one (temporary intra-group assignments/hiring-outs) which is also applicable for the hiring-out of employees:

Participation in seminars, as long as no further services are rendered.

Business meetings, as long as no further services are rendered.

Attending and participating in conferences.



In cases involving "transit traffic," activities by mobile employees or crew-members in the cross-border transport of goods or passengers (starting 1.1.2017).

Temporary intra-group assignments or hiring out of especially qualified employees for a maximum of two months per calendar year, as long as the work in Austria is for the purposes of research and development, planning of project work, holding of a training course, or otherwise for the purposes of exchanging experiences, consulting the company, or controlling or participating in a cross-border group-department with management and planning functions.

Trade fairs and events similar to trade fairs. (This exemption is not applicable for preparatory and concluding work).

Please note that the required permits/notifications/registrations/etc. depend closely on the facts and circumstances of the individual case and therefore require a case-by-case analysis.

7. Penalties for non-compliance

In the case of non-compliance with the above requirements, penalties vary as follows:



Offence	Penalties starting 1.1.2017
<p>Not keeping the A1 form available</p> <p>Not keeping the ZKO 3/ZKO 4 form available at the workplace</p>	<p>in case of an assignment: € 1,000 – € 10,000 per employee in case of recurrence: € 2,000 – € 20,000 per employee</p> <p>in case of hiring-out of employees: € 500 – € 5,000 per employee in case of recurrence: € 1,000 – € 10,000 per employee</p>
<p>Not keeping the wage/salary documents available (such wage/salary documents which are required for establishing the remuneration due to the employee under Austrian law. These must be in the German language (except for the service-contract, which may be English) and must be available during the entire period of posting to the place of work/deployment in Austria)</p>	<p>up to 3 employees: € 1,000 – € 10,000 per employee in case of recurrence: € 2,000 – € 20,000 per employee</p> <p>more than 3 employees: € 2,000 – € 20,000 per employee in case of recurrence: € 4,000 – € 50,000 per employee</p>
<p>Minimum rates of pay are undercut (underpayment during several periods of salary payment causes only one offence; payments that surmount payments according to provision, law or collective bargaining agreement are charged against underpayments in the respective period of salary payment; special payments for employees underlying the ASVG, an offense of underpayment only exists if the special payment is not paid or is not fully paid by December 31 of the respective calendar year; penalties also apply for home workers if payments do not correlate with law or provisions under consideration of applicable classification rules)</p>	<p>up to 3 employees: € 1,000 – € 10,000 per employee in case of recurrence: € 2,000 – € 20,000 per employee</p> <p>more than 3 employees: € 2,000 – € 20,000 per employee in case of recurrence: € 4,000 – € 50,000 per employee</p>

Under certain conditions, it is possible that the employer may even be forbidden from carrying out activity in Austria for up to five years.

8. Public sources of information

Please see below a link which leads to the official website of the Austrian Federal Ministry of Labor, Social Affairs, Health and Consumer Protection. There

you will find all important information relating to the application of minimum wage requirements and collective bargaining agreements.

http://www.entsendeplattform.at/cms/Z04/Z04_10.3.5/collective-agreements/brief-overviews-of-the-collectiveagreements





The minimum wage is determined as a fixed amount, depending on occupation, seniority and industry/sector.

Belgium

1. Minimum wage at national level

Belgium does not have a minimum wage set at national level.



2. Minimum wage set through collective bargaining agreements

In Belgium, minimum wages are set by collective bargaining agreements (CBAs), which means that every joint committee (JC) has a different minimum wage. Consequently, the change of the level of the minimum wage and the expected date for the change depend on the applicable CBA. A system of automatic wage indexation also exists in Belgium, which is set by the CBA but it is imposed by law.

The minimum wage is determined as a fixed amount, depending on occupation, seniority and industry/sector. Below, we provide the gross sectoral minimum wages for the general joint committees for blue-collar and white-collar workers.



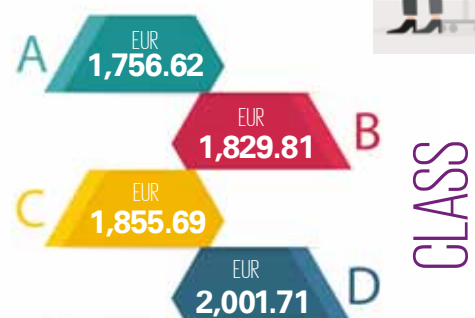
EUR 1,593.81

Blue collar

JC 100: supplementary joint committee for blue collar workers (starters)

White collar

JC 200: supplementary joint committee for white collar workers (starters)



3. What can be included in the minimum wage

As a rule, only the fixed base salary is considered part of the minimum wage. All additional advantages or allowances (such as per-diem, cost of living

allowance, bonuses or foreign service premiums, etc.) are not included in the minimum wage.

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Benefits in kind (housing, gas, electricity, water, heating, accommodation, food, tools and/or clothes, materials)	Special payments pertaining to work carried out outside Belgium (Foreign Service premium, Cost of Living allowance, Hardship premium, Country allowance, Assignment allowance) Bonuses Transportation costs Meal costs Contributions to the group insurance scheme or hospitalization insurance

4. Legal hours

The maximum legal working hours per day in Belgium are 8 hours per day and 38 hours per week (40h if

12 rest days are granted). However, exceptions are possible.

5. Implementation of Enforcement Directive 2014/67/EU

The Belgian Act of 11 December 2016 concerning several provisions on the posting of employees (which entered into force on 30 December 2016) and the Royal Decree of 14 September 2017 (which entered into force on 1 October 2017) implement the Enforcement Directive 2014/67/EU into Belgian legislation.

In accordance with the Act of 11 December 2016, employers established in a Member State of the European Economic Area (EEA) and Switzerland

who send employees who habitually work in a country other than Belgium to Belgium or who hire employees in a country other than Belgium to work on a temporary or part-time basis in Belgium ("posted employees"), must comply with certain Belgian labor law rules and some formalities.

Since 1 October 2017 and as introduced by the new legislation, the requirements on keeping social documents for posted employees have been extended.

6. Registration requirements

In relation to assignments in Belgium where the employee remains subject to the home-country social security regime, the home-country employer must formally notify the Belgian social security authorities prior to the individual starting his or her activity in Belgium (by means of a so-called 'Limosa declaration'). If the home country employer does not meet this obligation, the host entity should in principle take care of it.

A liaison officer is to be identified who is in charge of liaising with the Belgian (inspection) authorities – this applies to all sectors. The liaison officer is the employer's contact person with the Belgian inspection authorities. The liaison officer can be any individual authorized by the posting company to fulfill the information obligations vis-à-vis the Belgian (inspection) authorities (when requested by the latter). The officer does not have to be domiciled or reside in Belgium. The liaison officer must be appointed through the LIMOSA notification tool.



7. Penalties for non-compliance

For non-compliance with the minimum wage requirements (or non-payment of wages) a criminal fine of EUR 400 to EUR 4,000 or an administrative fine of EUR 200 to EUR 2,000 per individual may be imposed.

For non-compliance with the notification requirements (by means of a so-called 'Limosa declaration'), the employer will be charged with a criminal offence which is punishable by a prison sentence of 6 months to 3 years and/or a criminal fine of between EUR 4.800 and EUR 48.000. Alternatively, an administrative penalty applies, varying between EUR 2.400 and EUR 24.000 per individual.

If, in the absence of the employer, the Belgian entity fails to report the posted employee who is working or carrying out services at the entity's premises,

the Belgian host entity is liable to a criminal fine of between EUR 800 and EUR 8.000 per individual or an administrative penalty of between EUR 400 and EUR 4.000 per individual. The same penalties apply for an assigned self-employed worker who has not duly reported his/her activities via Limosa.

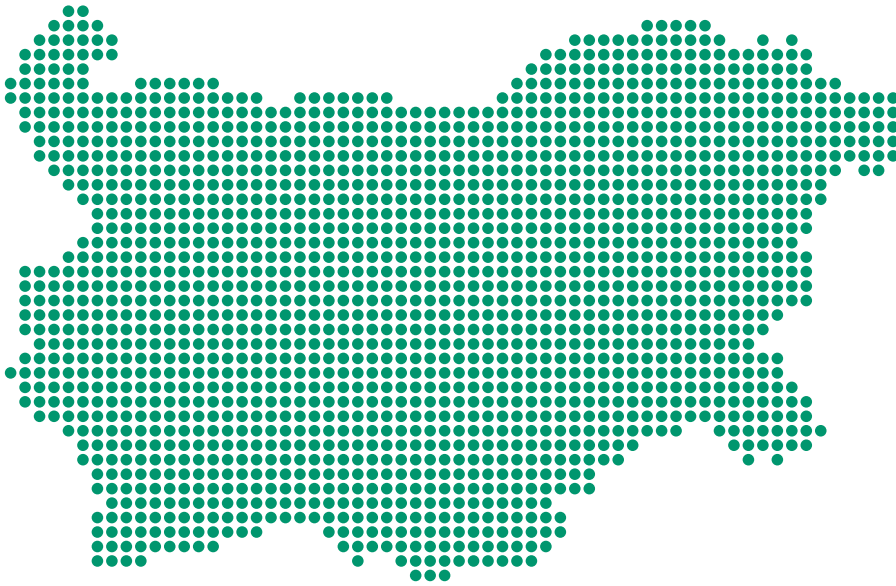
A foreign employer who does not appoint a liaison officer or a direct contracting party who does not respect the joint liability for the payment of salaries can be penalized with either a criminal fine of EUR 400 to EUR 4.000, or an administrative fine of EUR 200 to EUR 2.000. In addition, the same penalties may apply to the employer, per posted worker, for noncompliance with the documentary and representative requirements (e.g. if the liaison officer does not provide the required documents to the Belgian inspection authorities).

8. Public sources of information

<http://www.employment.belgium.be/defaultTab.aspx?id=6540>



The minimum wage requirement in Bulgaria is fixed regardless of the industry, age or occupation.



Bulgaria

1. Minimum wage at national level

Bulgaria has a minimum wage set at national level. From January 2019 the minimum wage is BGN 560 per month (approximately EUR 286), compared to

BGN 510/month (approximately EUR 261) in 2018. The minimum wage is revised on an annual basis.

2. Minimum wage set through collective bargaining agreements

The minimum wage requirement in Bulgaria is fixed regardless of the industry, age or occupation. However, the minimum insurable income varies

depending on the occupation and is generally higher than the minimum wage.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Annual paid leave	Housing Transportation costs Meal costs



4. Legal hours

In Bulgaria, the maximum legal working hours are 8 hours/day, equivalent to 40 hours/week

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive was transposed by Bulgaria by way of amendments to the Bulgarian Labor Code promulgated on 30 December 2016 and by the adopted Ordinance for the conditions and procedure for posting of employees within the framework of provision of services ("the Ordinance") effective from 10 January 2017.

The Ordinance applies to employers registered in a Member State of the EU/EEA, in Switzerland or a third country posting employees to Bulgaria, provided that the posting is temporary and there is an employment relationship between the sending employer and the employee during the period of posting.

6. Registration requirements

Employers registered in a Member State of the EU/EEA, in Switzerland or a third country posting employees to Bulgaria must notify the local labor inspectorate in whose territory the activity is to be carried out, by submitting an application in standard form, prior to the commencement of provision of services related to the posting.

The Ordinance provides that the applications should be submitted electronically through the single national website. However, the website is not operational yet and currently all applications are submitted on hard copy.

The foreign employer is also required to notify the labor inspectorate about changes in the posting conditions.

7. Penalties for non-compliance

For non-compliance with the provisions of labor legislation the labor authorities may impose penalties of: i) from BGN 1,500 to BGN 15,000 (approximately EUR 770 to EUR 7,700) per breach for the employer and ii) from BGN 1,000 to BGN 10,000 (approximately EUR 510 to EUR 5,120) per breach for the responsible officer.

For recurring violations the penalties are i) from BGN 20,000 to BGN 30,000 (approximately EUR 10,000 to EUR 15,000) for the employer and ii) from BGN 5,000 to BGN 10,000 (approximately EUR 5,000) for the responsible officer.

8. Public sources of information

<https://www.mlsp.government.bg/>

https://www.mlsp.government.bg/index.php?lang=_eng

<http://www.gli.government.bg/page.php?c=211>





Croatia has a minimum wage set at national level, however, where applicable, the provisions of the relevant collective bargaining agreements apply.

Croatia

1. Minimum wage at national level

All employees who work in Croatia, irrespective of the industry, occupation or age, are entitled to a minimum wage in accordance with the Croatian Minimum Wage Act (Official Journal of Croatia No. 118/18).

Under Government Decree (Official Journal No. 109/18), the gross minimum wage in Croatia in the period between 1 January 2019 and 31 December 2019 is HRK 3,750 per month (the equivalent of approximately EUR 506). During 2018 the minimum wage was set at HRK 3,439.80 (the equivalent of approximately EUR 478). However this is updated annually.

In certain cases, the applicable wage can be lower than the minimum wage set by the Croatian Minimum Wage Act, if that wage is part of a collective bargaining agreement. However, even in such cases, the wage cannot be lower than 95% of the minimum wage set by the Croatian Minimum Wage Act - i.e. HRK 3,562.50 (the equivalent of approximately EUR 481).

2. Minimum wage set through collective bargaining agreements

In general, in cases when the minimum wage is set through collective bargaining agreements, the amount of the minimum wage depends on the complexity of the particular work position.

For example, the Collective Agreement for the Construction Industry (Official Journal No. 115/25 and 26/18) includes Appendix 1 ("Tariff Rates") which deals with the complexity factors for the calculation of the basic wage for particular work positions in the construction industry. Under the Tariff Rates, work positions in the construction industry are divided into 10 different complexity groups.

The minimum wage for the simplest work positions in the construction industry (e.g. transport worker or cleaner) cannot be lower than HRK 3,750 per month (the equivalent of approximately EUR 506). On the other hand, the minimum wage for the most complex work positions in the construction industry (e.g. construction project manager) cannot be lower than HRK 9,937,50 per month (the equivalent of approximately EUR 1,340). The mentioned amounts are gross.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Overtime payments
	Night work, work on Sunday and work on holidays Bonuses Per-diems Housing Transportation costs Meal costs Special payments (Foreign service premium, Cost of living allowance, Hardship premium, Country allowance, Assignment allowance)

4. Legal hours

The maximum legal working hours are 40 per week. Any additional work is considered overtime.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive was implemented into the Croatian legal system by the Law on Amendments to the Croatian Law on Foreigners (Official Journal No. 69/17) which came into effect on 22 July 2017.

According to the Croatian Law on Foreigners (Official Journal No. 130/11, 74/13, 69/17 and 46/18), a posted worker is an employee of a foreign employer with its headquarters in another EEA country, who is assigned to provide cross-border services for a limited period in Croatia.

6. Registration requirements

Prior to commencement of work of posted workers in Croatia, an EEA employer has to submit a posting declaration to the Labor Inspectorate. The posting declaration has to be submitted by electronic means, in the form and with all mandatory information as prescribed by the by-law on the form and content of a posting declaration, issued by the Croatian Minister of Labour.

EEA employers which post workers to Croatia must nominate in the posting declaration a person in Croatia who will act as the contact person for the Croatian authorities in order to exchange documents, requests, notices and other letters.

7. Penalties for non-compliance

For non-compliance with the above minimum wage requirements, fines, which range from HRK 60,000 (approx. EUR. 7,926) to HRK 100,000 (approx. EUR 13,210) for the employer and HRK 7,000 (EUR 925) to HRK 10,000 (approx. EUR 1,321) for the employee can be imposed.

A failure to submit the posting declaration prior to the commencement of posting, or a failure to nominate a designated person who will keep documents as

well as a person who will act as the contact person for the Croatian authorities can result in fines of up to HRK 50,000 (approximately EUR 6,600) for the foreign employer, and in fines of up to HRK 10,000 (approximately EUR 1,300) for its responsible person.

The same fines are prescribed for a Croatian service recipient who knew or ought to have known that a posted worker engaged to provide services is not validly employed by a foreign employer.

8. Public sources of information

Please find below a link to the web page of the Croatian Ministry of Labor and Pension System which provides a detailed overview in English of the legislation on the minimum wage and obligations of foreign entities assigning personnel to Croatia:

<http://www.mrms.hr/posting/posted-workers/>



The minimum wage is determined as a fixed amount or as an hourly rate depending on occupation.



Cyprus

1. Minimum wage at national level

Currently there is no minimum wage at a national level. However, there is a minimum wage applied only to certain occupations and this is determined as a fixed amount or as an hourly rate.

Usually, the level of the minimum wage in Cyprus changes annually. However, since 1 April 2012 no changes have occurred and there are no indications as to when changes, if any, are expected.

2. Minimum wage set through collective bargaining agreements

Not Applicable.

3. What can be included in the minimum wage

Assignment allowances such as per diems, cost of living allowances, foreign services premiums, and bonuses are not included in the minimum

wage. However, the minimum wage may include commissions.

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
	Housing Transportation costs Meal costs Special payments (Foreign Service premium, Cost of Living allowance, Hardship premium, Country allowance, Assignment allowance) Bonuses Overtime payments Commissions



4. Legal hours

Cyprus has a legal limit of 8 working hours per day and 48 working hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

Effective 16 June 2016, the Directive's rules were transposed into the Law "concerning the posting of workers in the framework of the provision of services" ("hereinafter Law.63(I)/2017").

Law. 63(I)/2017 was introduced as part of the Cyprus's Labor legislation, based on the provisions of Directive 2014/67/EU, to monitor the terms of an assignment as being genuine whilst protecting the rights of posted workers.

6. Registration requirements

Every employer or their representative and any seconded worker to that employer must, when requested by the Cyprus Labor Department, provide any information, books, records, certificates or other documents or any other information relating to the employment relationship, posting terms, and the nature of services provided, as regulated in Law. 63(I)/2017.

Furthermore, the relevant approval is required prior to the commencement of the posting, and therefore a notification should be submitted to the Department of Labor, at least a week before the planned posting commences.

The law provides that in place of the employer, a representative may be appointed to provide relevant details to the authorities upon request.

Law. 63(I)/2017 requires the receiving company in Cyprus to which the employees have been assigned to hold and make available to the Cyprus Labor Department, upon request, certain documents relating to the employment relationship, posting terms and the nature of services provided.

7. Penalties for non-compliance

Non-compliance with the provisions of Law. 63(I)/2017, may result in imprisonment for up to 2 years or to a

fine not exceeding fifty thousand euros (€ 50,000) or both.

8. Public sources of information

Official Labor Department URL

http://www.mlsi.gov.cy/mlsi/dl/dl.nsf/index_en/index_en?OpenDocument





The Czech Republic has a national minimum wage set by law and penalties for non-compliance with the minimum wage requirement can exceed EUR 70.000.

The Czech Republic

1. Minimum wage at national level

The Czech Republic has a minimum and also guaranteed wage requirement set by law. The minimum and the guaranteed wage is determined as a monthly amount and as an hourly rate. The minimum and the guaranteed wage is revised by the Government generally every year, with effect as from 1 January.

The current level of the minimum wage is applicable as from 1 January 2019. The minimum wage per hour is CZK 79.80 (approx. EUR 3), while the minimum wage per month is CZK 13,350 (approx. EUR 517.45), which is applicable to all employees.

In 2018, the minimum wage per hour was CZK 73.20 (approx. EUR 2.83), while the minimum wage per month was CZK 12,200 (approx. EUR 472.9).

Apart from the minimum wage, Czech labor law also includes minimum levels of wage in relation to the difficulty and responsibility of the relevant work, which is called a 'guaranteed wage'. Based on the Government regulation there are 8 levels for the guaranteed wage. The levels of guaranteed wage for the year 2019 vary between CZK 13,350 per month or CZK 79.80 per hour for the jobs of the lowest complexity, responsibility and difficulty (which is the minimum wage) to CZK 26,700 per month or CZK 159.60 per hour for the jobs of the highest complexity, responsibility and difficulty. Both the minimum and guaranteed wage requirements apply only if the employee is posted to the Czech Republic for more than 30 days in a calendar year (unless it is an agency employment).

2. Minimum wage set through collective bargaining agreements

The levels of the minimum and guaranteed wage may also be set through collective bargaining agreements at a higher-level, which may be concluded for individual branches of business. The existence of a collective bargaining agreement at a higher-level for

the relevant branch of business, and the question whether such an agreement sets the level of minimum / guaranteed wage at different levels from that in legislation has to be assessed individually.

3. What can be included in the minimum wage

Generally, the wage and all bonuses provided in consideration for performance of work are considered a wage for the purposes of the minimum and guaranteed wage. However, wages and surcharges for overtime work, extra pay for work on public holidays, night work or weekends or payment for work in an unfavorable working environment cannot

be considered part of the minimum wage. The minimum wage also does not include benefits that are not provided in consideration for the performance of work, especially wage compensation, severance pay, travel expenses, loyalty benefits or remuneration for carrying out on-call duty.



Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Bonuses provided in consideration for the carrying out of work	Housing fees Transportation costs Meal costs Travel allowances in general Special payments (Foreign Service premium, Cost of Living allowance, Hardship premium, Country allowance, Assignment allowance) Severance payments Overtime payments Payments for work during nights, weekends and/or public holidays, for the performance of work in an unfavorable working environment Remuneration for performing on-call duty Bonuses and benefits provided not in consideration for the performance of work (e.g. loyalty benefits)

4. Legal hours

The maximum number of legal working hours in the Czech Republic is 40 per week (plus possible

overtime to the extent permitted by law).

5. Implementation of Enforcement Directive 2014/67/EU

In the Czech Republic, the provisions of Directive 2014/67/EU of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System were implemented through amendment of three national Acts: Act no. 435/2004 Coll., the Employment Act, as amended; Act no. 262/2006 Coll., the Labor Code, as amended; and Act no. 251/2005 Coll., on Labor Inspection, as amended.

Under Czech laws, both the sending employer and the accepting employer must fulfil certain statutory requirements when an employee is posted for the performance of work within the transnational provision of services in the Czech Republic.

As regards the minimum standards of working conditions and remuneration that must be guaranteed to the assigned employees, some of these minimum standards apply only when the employee is posted for more than 30 days in aggregate within a calendar year.



The conditions may also differ if an employee is posted for the performance of work within the transnational provision of services by an employment agency.

The foreign employer (the sending employer) must also provide the assigned employee with

the documentation proving the existence of the employment relationship between them (i.e. particularly the employment contract and assignment letter) together with a translation of these documents into Czech. These documents must be available at the assigned employee's workplace in the Czech Republic throughout the assignment.

6. Registration requirements

According to the Employment Act, a person (accepting employer) who has concluded a contract with a foreign (sending) employer, based on which the foreign employee was posted to perform work in the Czech Republic, is required to inform the Czech Labor Office in writing about certain information, e.g. identification details of the employee, address,

travel document (passport) details, type and place of work, timeframe etc., on the day of commencement of work at the latest. Once notified, the information must be kept updated ☐ any change or termination of posting in the Czech Republic must be notified within 10 calendar days.

7. Penalties for non-compliance

Penalties for non-compliance with the minimum wage requirement can be up to CZK 2 mil. (approx. EUR 74,000).

Penalties for non-compliance with the requirement to make the documentation proving the existence of the employment relationship between the foreign employer and the assigned employee together with translation into Czech available at the workplace in the Czech Republic can be up to CZK 100,000 (approx. EUR 3,900).

Non-compliance with the registration and other consequent requirements may result in penalties, where the amount depends on the severity, whether it was a repeated breach etc. In general, the penalties that can be imposed on the employer differ depending on whether the employer is an individual or a legal entity. The amount of the penalty can be up to CZK 500,000 (app. EUR 20,000) for certain violations. Penalties are imposed by the Czech Labor Inspectorate.

8. Public sources of information

<https://www.mpsv.cz/en/1609> - Official website of the Czech Ministry of Labor and Social Affairs

<https://portal.mpsv.cz/upcr> - website of the Czech Labor Office

http://www.suip.cz/_files/suip-f9c3b9e86409a8b13eac134fd35d3002/mpsvanglictina.pdf - minimum requirements (not up to date)





Denmark

If any collective bargaining agreements apply or must be followed, these are typically re-negotiated every third year and this may involve a change in the minimum salary.



1. Minimum wage at national level

In Denmark there is no statutory minimum wage, and no provision on minimum wages is included in the Danish Secondment/Posting Act, which implements the EU Posting of Workers Directive. Generally, this

means that if an EU employee is posted by the home-country employer to deliver services to a Danish company in Denmark, no minimum wage will apply.

2. Minimum wage set through collective bargaining agreements

However, in Denmark, pay and working conditions are typically laid down by collective bargaining agreements concluded between trade unions and employers' organizations. This system of labor market regulation is referred to as the Danish Model. The collective bargaining agreements include provisions on the minimum wage and other working conditions. These Danish collective bargaining agreements are not of general application and will generally not apply if an EU employee is seconded to Denmark as mentioned above. However, the EU employer may need to observe collective bargaining requirements from the relevant Danish unions in the branch. As a consequence, the Danish company receiving the

services from the foreign employee may - due to the company's collective bargaining agreement(s), if the company is subject to any - be required to ensure or be encouraged to ensure that the minimum wage and working conditions are provided to posted employees as well.

If any collective bargaining agreements apply or must be followed, these are typically renegotiated every third year and this may involve a change in the minimum salary. The minimum wage set by the collective agreements may vary depending on occupation, industry, length of service, education, skills, experience, age, etc.

3. What can be included in the minimum wage

The minimum wage includes the base salary and any mandatory allowances and fees stated in the relevant collective bargaining agreement. However, it

will depend on the content of the specific collective bargaining agreement.

4. Legal hours

In relation to the maximum legal working time, Danish legislation includes different mandatory provisions. The legislation states that the number of working hours must not exceed 48 per week on average (including overtime) within a period of 4 months. Moreover, employees are entitled to a break if the number of daily working hours exceeds six.

With regard to night work, employees may only work 8 hours per day on average in a period of 4 months. As a general rule in Danish legislation, the working hours must be arranged in such a way that the employees have a period of rest of at least 11 continuous hours within each period of 24 hours. Danish collective bargaining agreements also include different provisions relating to working hours. Collective bargaining agreements typically state that the normal working hours are 37 per week.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive was transposed by Denmark by means of Law no.626 of 08/06/2016 and was effective as from 18 June 2016. For employers to comply with the Directive, they are required to register in the Register of Foreign Providers (RUT).

Further the Labor Market Fund for Posted Workers (AFU) was established effective from 18 June 2016. The purpose of the fund is to ensure that posted workers are secured salaries at the correct level during posting. AFU can pay out salaries, pensions, holiday pay, allowances etc. if the work performed is covered by a collective agreement, and the case has been heard by a labor court.

Amongst a number of conditions that must be met before payment by the AFU is induced, it is required

that the foreign companies must be domiciled in the EU/EEA, and the injured party must make an attempt to recover the outstanding account from the foreign company subsequent to the hearing of the case by the labor court. Further, the companies connected to any payments by the AFU will be listed on a publicly available database.

All Danish and foreign companies which pay ATP-contributions in Denmark for their employees are automatically charged a contribution to AFU. Companies which temporarily supply services in Denmark and who do not pay ATP-contributions for their employees are liable for the payment of the AFU contribution. This is charged through a registration in RUT (see above). The AFU contribution in 2018 is approximately 0.15 EUR per quarter per employee.

6. Registration requirements

For employers to comply with the Directive, they are required to register in the Register of Foreign Providers (RUT). RUT is an online service and the website offers information in both Danish, English, German and Polish. The sending company has to set up an account before they can register. The sending company is responsible for correct information about the workplace, period and the person(s) performing the work.

The registration must be concluded before the work is carried out or no later than at the beginning of the

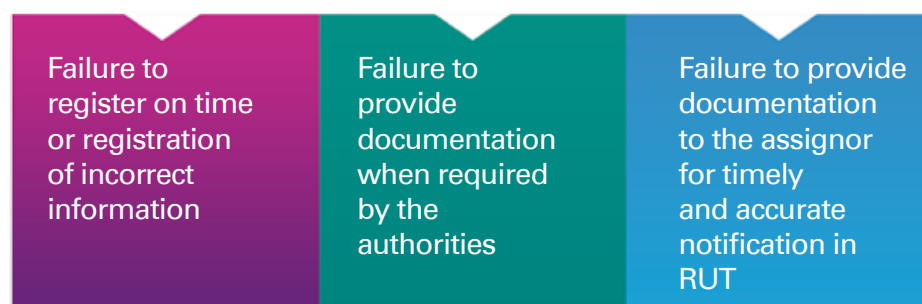
activity. Any changes must be notified in RUT no later than the first working day after the change has entered into force. Changes which must be notified include a new workplace, new posted workers or a longer time period.

The company is required to provide the assignor with the documentation for the registration in RUT. The company can upload an 'A1 certificate' to demonstrate that the employee is covered by social security in the home country. This documentation is still only voluntary.

7. Penalties for non-compliance

Non-compliance may result in penalties issued by the Danish Working Environment Authority, which can impose fines of 10,000 DKK. In particularly serious cases the fine is 20,000 DKK.

Penalties are levied in the following cases:



In the case of non-compliance with the minimum wage requirements, the penalties will depend on the relevant collective bargaining agreement.



Besides the regular salary received during an assignment, per diems, cost of living allowances, foreign service premiums and bonuses are not considered as part of the minimum wage.

Estonia



1. Minimum wage at national level

Estonia has a national minimum gross wage requirement. From 2019 the level of the minimum gross wage applicable to blue collar workers and other EU nationals for full time employment is set at EUR 540 per month. This represents an increase from EUR 500 per month which was the level during 2018.

The current minimum gross wage for highly skilled workers, whether they are EU nationals or non-EU citizens who are holders of the European Union (EU) blue card, is currently EUR 1,832 per month. However, the employer is required to pay remuneration to an alien during the period of validity

of an EU Blue Card the amount of which is at least equal to 1.5 times the annual average gross monthly salary, as last published by Statistics Estonia (the new annual average gross monthly salary will be published in March 2019).

In the following cases, the minimum gross wage for an EU Blue Card holder is currently EUR 1,514. However the employer is required to pay remuneration to a foreigner of at least the equivalent of 1.24 times the annual average gross monthly salary, as last published by Statistics Estonia (the new annual average gross monthly salary will be published in March 2019):





The current minimum gross wage for a foreigner working as a top specialist, with appropriate professional training or experience for employment in the field, is EUR 2,442 per month. However, the employer is required to pay remuneration to a foreigner working as a top specialist of at least the equivalent of 2 times the annual average gross monthly salary, as last published by Statistics Estonia. (The new annual average gross monthly salary will be published in March 2019).

The minimum gross wage for a foreigner working as an expert, adviser, consultant or skilled worker is EUR 1,221 per month. However, the employer is required to pay remuneration to a foreigner of at least the equivalent of the annual average gross monthly salary, as last published by Statistics Estonia. (The new annual average gross monthly salary will be published in March 2019).

2. Minimum wage set through collective bargaining agreements

There are no cases in Estonia where the minimum wage is set through collective bargaining agreements.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Overtime payments	Housing
Vacation payments	Transportation costs
Study leave	Meal costs Special payments (Foreign Service premium, Cost of Living allowance, Hardship premium, Country allowance, Assignment allowance) Bonuses



4. Legal hours

The maximum legal working hours in Estonia are 8 hours per day and 40 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

Effective 17 December 2016, the Directive's rules were taken over in the Working Conditions of Employees Posted to Estonia Act. The objective of the Act is to ensure the protection of the rights of employees from a Member State of the European

Union, a Member State of the European Economic Area or the Swiss Confederation who have been posted to Estonia for the provision of services, and fair competition between employers engaged in the provision of services.

6. Registration requirements

The employer of a posted employee is required to provide the Labor Inspectorate with information concerning the posting no later than on the day the posted employee commences the performance of work in Estonia.

The registration application is available on the Labor Inspectorate's web page. Completed applications should be sent to the following e-mail address: posting@ti.ee.

7. Penalties for non-compliance

The Estonian Employment Contracts Act states that wages falling below the minimum wage established by the Government of the Republic may not be paid to an employee.

If the person providing work has not registered the commencement of employment of a worker by the deadline specified in the Estonian Taxation Act or has failed to register the termination of employment, the tax authority may set an additional deadline for registration and issue a warning to

the effect that a penalty payment may be applied upon failure to register the obligation. If a person providing work has not complied with the obligation imposed by an administrative act by the deadline stated in the warning, the penalty payment set out in the warning must be paid. A penalty payment to enforce the performance of the obligation to register commencement and termination of employment totals 3,300 euros, i.e. 1,300 euros for the first missed deadline and 2,000 euros for the second.

8. Public sources of information

Labor Inspectorate - <https://www.ti.ee/en/home/>

Police and Border Guard Board - <https://www2.politsei.ee/en/>

Estonian Tax and Customs Board - <https://www.emta.ee/eng>

Social Insurance Board - <https://www.sotsiaalkindlustusamet.ee/en>

Working Conditions of Employees Posted to Estonia Act- <https://www.riigiteataja.ee/en/eli/502072018002/consolide>





As of September 2017, the posting undertaking is required to submit a notification to the occupational health and safety authority about the posting of workers to Finland under an agreement on cross-border service provision and the Finnish contractor should ensure that the posting undertaking meets this obligation.

Finland

1. Minimum wage at national level

Finland does not have a minimum wage set at national level.

2. Minimum wage set through collective bargaining agreements

However, the minimum wage requirement is determined under the generally applicable collective agreements concluded between the Finnish employers' unions and trade unions.

The minimum wage is determined for different industry/occupational sectors based on the employee's professional skills, experience or other types of information such as the geographical position of the workplace.

There are also some industry/occupational sectors without a binding collective agreement, which in practice means that there are no minimum wage

rules applicable.

When no collective agreement generally applicable to the work performed by the posted worker exists, the posted worker should be paid at least a reasonable normal remuneration if the remuneration agreed between the employer and worker is significantly lower than this. The average salary of the occupational sector in question or non-generally applicable collective agreement can be used to determine the reasonable normal remuneration.





3. What can be included in the minimum wage⁶

Included in the minimum wage	Not included in the minimum wage
Base salary based on categorization of employees into pay groups as provided for by the relevant collective agreements	Housing
Overtime payments	Meal costs
The pay which the posted workers must receive for the minimum paid annual holidays corresponding to the minimum wage to which those workers are entitled during the reference period	Travelling costs to Finland
Daily allowance (per-diems) if sent within Finland from the usual place of work⁷ Compensation for commuting expenses	

4. Legal hours

The maximum legal working hours in Finland are 8 hours per day or the equivalent of 40 hours per week. However, different rules included e.g. in Finnish

collective bargaining agreements might apply for overtime work.

5. Implementation of Enforcement Directive 2014/67/EU

The new Act on Posting Workers entered into force on 18 June 2016. Directive 67/2014/EU was implemented by this act. In the act new

administrative requirements were set for posting assignments to Finland.

⁶ See EUCJ:C-396/13 *Sähköalojen ammattiliitto ry v Elektrobudowa Spolka Akcyjna* concerning the minimum wage set in the Finnish generally applicable collective agreement.

⁷ It is unclear if Judgement C-396/13 should be interpreted so that employees posted to Finland should be paid the daily allowance for the whole assignment to Finland. In Finnish legal discussion, Äimälä and Kärkkäinen (*Työsopimuslaki*, 2017, s. 627, in Finnish) argue that the daily allowance should be paid for the posted employee only when he/she is sent from their usual place of work (in Finland) to another place of work inside Finland.



6. Registration requirements

The posting undertaking is required to submit a notification to the occupational health and safety authority about the posting of workers to Finland under an agreement on cross-border service provision. Notification of the posting of a worker is not required if the undertaking is posting workers to Finland in an internal transfer within a group of undertakings for no more than five working days. In the case of building work, however, notification is always a requirement for performing the work.

The posting undertaking should have a representative in Finland whom the posted worker and the authorities can contact at all times during the posting

of the posted worker. The representative may be a legal entity or an individual. The notification to the occupational health and safety authority should include the identification details and contact information of the representative in Finland. The posting undertaking does not need to have a representative if it is posting workers to Finland for a maximum period of ten working days.

Posting undertakings should keep certain information available in Finland in written form for the entire duration of the posting. The information that must be kept available includes the identification details of the posting undertaking and the posted worker.

7. Penalties for non-compliance

A posting undertaking is liable to pay a negligence fee if it has neglected its obligation to submit the notification on posting workers, appoint the representative or keep available the information and reports required.

The amount of the negligence fee ranges from EUR 1 000 to EUR 10 000 and is imposed by the occupational health and safety authority.

If the posting undertaking does not comply with the minimum wage requirement, i.e. does not pay the minimum wage set in the generally applicable collective agreement, the posted workers may recover the pay claim.

The penalties for employment offences, violation of working hour regulations and violation of annual holiday regulations are laid down in the Criminal Code and in other relevant acts.

8. Public sources of information

Ministry of Economic Affairs and Employment of Finland <https://tem.fi/en/posted-workers>

Ministry of Social Affairs and Health <https://stm.fi/en/posted-workers>

Occupational Health and Safety Administration <https://www.tyosuojelu.fi/web/en/employment-relationship/posted-worker>

Act on Posting Workers 447/2016 (English translation, legally binding only in Finnish and Swedish) https://www.finlex.fi/en/laki/kaannokset/2016/en20160447_20170074.pdf





France

Minimum wages in France are defined as a fixed amount or through collective bargaining agreements which are usually set per industry.

1. Minimum wage at national level

From January 2019 the legal minimum wage is EUR 1,521.25 gross per month for a full time employee working 35 hours per week. During January–December 2018 the legal minimum wage was EUR

1,498.50 gross per month for a full time employee working 35 hours per week. Hours worked above 35 per week are regarded as overtime and should lead to additional compensation.

2. Minimum wage set through collective bargaining agreements

There are various CBAs, since there is usually one per industry. A CBA applies mandatorily to a company falling within its scope. The CBA defines the

minimum wages according to the employee's position within the company.

3. What can be included in the minimum wage

According to French regulations, assignment related allowances can be part of the minimum wage (i.e. COLA, foreign service premiums, and bonuses). However, amounts paid to the assignee to compensate for expenses actually borne, as well as

expenses directly borne by the employer like travel expenses, accommodation or meals, are not taken into account in determining the minimum wage and cannot be paid for by the employee.

4. Legal hours

Generally speaking, the legal working time in France is 35 hours/week. The maximum daily legal working time is 10 hours. The maximum working time/week

is 48 hours. However, the average weekly working time cannot exceed 44 hours over any period of 12 consecutive weeks.

5. Implementation of Enforcement Directive 2014/67/EU

The 2014 Enforcement Directive has been implemented in French social legislation in part via Law no. 2014-790 of 10 July 2014 (Loi Savary) whose

aim is to prevent social dumping and also more strictly via Law no. 2015-990 dated 6 August 2015 (Loi Macron).



6. Registration requirements

Prior to the beginning of a temporary assignment to France, a specific notification (déclaration préalable de détachement) should be sent by the home-country employer to the French labor inspectorate within 48 hours after the beginning of the assignment. This Declaration can only be completed on the "SIPSI" online portal (<https://www.sipsi.travail.gouv.fr>).

The French purchaser and contractor must verify that the foreign service provider has fulfilled this obligation.

In addition to the Prior Declaration, the foreign company must appoint a representative on French territory by an appointment letter. This representative should communicate with the authorities on behalf of the employer and hold a copy of all the documents that the authorities could ask for.

7. Penalties for non-compliance

In the case of non-compliance with the above requirements, French regulations provide for different penalties depending of the type of legal failure. They range from an administrative fine to a criminal prosecution and up to a maximum penalty fine of € 7,500 (€ 15,000 in the case of a new offense within a period of one year after the first offense).

If the service provider fails to declare the posted worker, if the information transmitted is incorrect and/or incomplete, or if the purchaser and the contractor fail to make the necessary checks on the foreign

service provider, they are subject to an administrative fine of maximum 2000€ per posted worker (4 000€ in cases of repeat offenses) and a maximum total amount of 500 000€.

Furthermore, failure to comply with the posting of workers obligations, can lead to penalties such as administrative fines, the obligation for the contractor and the purchaser to provide the posted workers with decent accommodation, or financial solidarity for the payment of the minimum wages, social charges and/or French Taxes.

8. Public sources of information

www.travail.gouv.fr

www.legifrance.gouv.fr

www.service-public.fr





Germany

Germany has a minimum wage requirement set at national level. In addition, there are specific minimum wage requirements set within collective bargaining agreements and for agency workers.

1. Minimum wage at national level

Germany has a minimum wage requirement set at national level.

On 1 January 2015, Germany's law on the statutory minimum wage became effective. Consequently, a general minimum wage requirement has been implemented for all occupations and affects all individuals working in Germany regardless of their nationality and the location of the employer.

The current statutory minimum wage since 1 January 2019 is EUR 9.19 (gross)/working hour and will be raised to EUR 9.35 (gross)/working hour from 1 January 2020. Since 2017 the minimum wage has applied to all working sectors, even if a bargain agreement has set a lower amount. In addition, there are minimum wage requirements for agency workers which are as follows:

In Western provinces: Since 1 April 2018 EUR 9.49 (gross)/working hour (from 1 April 2019 EUR 9.79 (gross)/working hour and from 1 October 2019 EUR 9.96 (gross)/working hour)

In the Eastern provinces: Since 1 January 2019 EUR 9.49 (gross)/working hour (from 1 October 2019 EUR 9.66 (gross)/working hour)

2. Minimum wage set through collective bargaining agreements

In addition, there are minimum wage requirements in collective bargaining agreements which are often higher than the nation-wide minimum wage

requirements and which, however, depend on the industry and occupational group.



3. What can be included in the minimum wage

Besides the regular salary received during an assignment, any payment which is perceived as an equivalent for the normal performance of services, but not for rewarding special purposes can be considered as part of the minimum wage.

Consequently, if bonus payments fulfil this criterion, they can only be considered in the month in which they are paid out.

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Standby times as long as they are paid for the performance of the work owed	Housing Transportation costs Meal costs Special payments (Foreign Service premium, Cost of living allowance, Hardship premium, Country allowance, Assignment allowance) Overtime payments Bonuses

4. Legal hours

In Germany, the standard working hours are 8 hours/day, or the equivalent of 48 hours/six days per

working week.

5. Implementation of Enforcement Directive 2014/67/EU

The provisions of the Posting Directive 96/71/EG and the Enforcement Directive 2014/67/EU have been transposed into the German Posted Workers Act (Arbeitnehmerentsendegesetz – AEntG) and the Minimum Wage Act (Mindestlohngesetz – MiLoG).

The Enforcement Directive was fully implemented in Germany, before the implementation period expired on 18 June 2016.

6. Registration requirements

In terms of administrative requirements, in the case of assignments to Germany, there is a formal notification which has to be submitted to the Customs Authority in the case of employment in certain industries as well as in the case of agency work. Generally, the home employer has to file this notification prior to the performance of work. However in the case of agency work from foreign lessors, the obligation falls on the lessee of leased employees.

In general, foreign-domiciled employers who post workers to Germany to carry out work or to provide services are required to register the posting. In Germany, different types of registration obligations apply depending on the industry or branch of the employer. A registration is only required if a generally binding collective bargain agreement is in force or if the employer works within an industry which is considered especially susceptible to illegal employment. Those industries are named conclusively in sec. 2a of the Act to Combat Illegal Employment (Schwarzarbeitsbekämpfungsgesetz) and are the following: (re-) construction, catering and hotels, personal transportation, logistics and

transportation of commercial goods, exhibitor trade, forestry, cleaning and the facility management industry, fair construction, the meat industry and prostitution.

With regard to content and operational process, both registration procedures are identical. The registration needs to be submitted at least the day before the employee starts performing work in Germany. As the competent authority, the German Customs (Zoll) operates an online-tool for the purpose of registration applications. It is possible to register several employees within one notification. Moreover, the employer needs to ensure and guarantee compliance with the rules of applicable generally binding bargaining agreements.

Further, German law does not differentiate between posted workers and business travelers. Therefore, any employee performing work or providing services in Germany – even if only for a day – could be considered as a posted worker subject to registration obligations. However, if the employee does not perform actual work or services but visits Germany for business reasons only, he/she does not have to comply with any registration requirements.

7. Penalties for non-compliance

In the case of non-compliance with the minimum wage or notification requirements certain penalties are applicable:

- For non-payment or delayed payment of the minimum wage – up to EUR 500,000
- For non-compliance with the notification obligations – up to EUR 30,000.

Further penalties such as withdrawal of business license or exclusion from public procurement are possible depending on the degree of severity.

8. Public sources of information

https://www.zoll.de/DE/Fachthemen/Arbeit/Meldungen-bei-Entsendung/Anmeldung/anmeldung_node.html





Besides the regular salary received during an assignment, per-diems, cost of living allowances, foreign service premiums and bonuses are not part of the minimum wage.

Greece

1. Minimum wage at national level

The national minimum full time employment salary in Greece was very recently (as of 1 February 2019) increased to EUR 650 gross, and the national minimum daily wage was also increased to EUR 29.04 gross. The above minimum salaries/wages apply irrespective of the employee's/worker's age, and increases are provided on the basis of the prior term of service.

Further, married employees employed by employers who are members of trade unions participating in the conclusion of the National General Collective Labor Agreement are also entitled to a marriage allowance (which is equal to 10% of the minimum basic salary).

2. Minimum wage set through collective bargaining agreements

Except for the above minimum national salary/wage, for certain occupations, there are Sectorial Collective Labor Agreements providing for the minimum wages of the covered personnel (it is noted however that the

number of Sectorial Collective Labor Agreements is currently limited). If the personnel do not fall within any Sectorial Collective Labor Agreements, the national minimum salaries/wages above apply.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
	Housing Bonuses Meal costs Special payments (Foreign Service premium, Cost of Living allowance, Hardship premium, Country allowance, Assignment allowance, Cost of living allowances) Transportation costs Overtime payments



4. Legal hours

The minimum wage for employees is determined as a fixed amount on a monthly basis, while the minimum wage for workers is determined on a daily basis. The

maximum legal working hours in Greece are 8 hours per day, or the equivalent of 40 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

The rules of the Enforcement Directive have been incorporated in Greek legislation by Presidential Decree 101/2016 ("Harmonisation of Greek legislation with the provisions of Directive 2014/67/EU of the European Parliament and of the Council of 15 May 2014 on the enforcement of Directive 96/71/EC

regarding assignment of employees in the framework of provision of services and the amendment of Regulation (EU) 1024/2012 on administrative co-operation through the Internal Market Information System ("IMI Regulation")).

6. Registration requirements

The sending company must also file with the employment authorities of the place of provision of the employees' services, at the latest by the

commencement of the assignment and irrespective of the latter's duration:



A written declaration setting out certain details (for instance, details of the sending company, including details of its legal representative and representative in Greece during the assignment period, address/addresses where the seconded employees will provide their services, details of the receiving company etc.).



A list of seconded employees (two copies) setting out certain details (personal details of the seconded employees, daily and weekly working hours, remuneration etc.).



In the case of change of any of the details set out above to be included in the list of seconded employees, an amending list must be filed within fifteen days from the date the change becomes effective. Further, in the case of change or amendment of the working hours or of the organization of the working schedule, an amending list must be filed at the latest before the change/ amendment comes into force and in any case before the commencement of the seconded employees' work.

7. Penalties for non-compliance

For non-compliance with the notification and minimum wage requirements the employer could face temporary cessation of operations, monetary penalties or even imprisonment in serious cases.

Compliance with the obligations set out above is assessed by the employment authorities ("Σώμα Επιθεώρησης Εργασίας" – "Σ.ΕΠ.Ε.") which, if deemed necessary, can also cooperate with other authorities (including the social security authorities).

Presidential Decree 101/2016 provides that the sending company must appoint a representative in Greece during the secondment period, who will act as the liaison between the sending company and the authorities.

Presidential Decree 101/2016 applies to seconded employees, i.e. employees assigned to Greece by employers registered in the European Union or in the European Economic Area to work locally within the context of cross border provision of services. This legislation does not apply to merchant sailors.

Non-compliance with the obligations entails administrative penalties which can be imposed on the sending company and/or the receiving company (i.e. a penalty ranging from EUR 300 to EUR 50 000 for each violation, with the exact amount depending on various factors, such as the severity and frequency of violation, whether any similar violations have also been assessed, number of employees and size of the company, degree of fault etc.). These penalties are imposed by the employment authorities ("Σώμα Επιθεώρησης Εργασίας" – "Σ.ΕΠ.Ε.").

8. Public sources of information

Information on the above issues can be found (in Greek) on the official website of the Ministry of Labor. Further, the applicable laws (and other source of legislation, such as Ministerial Decisions) can also be found on the Official Government Journal's website.



Hungary

Form T104 must be filed with the Hungarian tax authority within a maximum of 30 calendar days from the start of the assignment.

1. Minimum wage at national level

The minimum wage in Hungary normally changes on an annual basis, in January of each year.

The minimum wage is determined on a monthly, weekly and hourly basis. An increased minimum wage is applicable to full-time employees who carry out certain physical work or work which requires secondary/higher education.

As from January 2019 the minimum wage is HUF 149,000 (approximately EUR 470), compared with 2018 when it was HUF 138,000 (approximately EUR 435).

In addition to that, an increased minimum wage applies to employees with at least secondary school education level or working in a position requiring intermediate professional qualifications in 2019, which is HUF 195,000 (approximately EUR 615).

2. Minimum wage set through collective bargaining agreements

There are no public collective bargaining agreements. Such agreements (if any) are kept private within the respective industry.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
	Housing Transportation costs Meal costs Overtime payments Bonuses Special payments (Foreign Service premium, Cost of Living allowance, Hardship premium, Country allowance, Assignment allowance)

4. Legal hours

The maximum legal working time in Hungary is 12 hours per day and 48 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

Provisions of Directive 2014/67/EU of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the posting (assignment) of workers in the framework of

providing services were introduced into the Hungarian Act on the Labor Code and the Act on Labor Inspection in July 2016.

6. Registration requirements

For postings to Hungary, form T104 must be filed with the Hungarian tax authority within a maximum of 30 calendar days from the start of the assignment. The obligation falls with the host employer with respect only to assignees who have foreign tax residency status and are likely to receive income taxable in Hungary.

Provisions of the Hungarian Act on the Labor Code and the Act on Labor Inspection entered into force in order to introduce into Hungarian legislation the provisions of Directive 2014/67/EU of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the posting (assignment) of workers in the framework of providing services as of July 2016. Registration and reporting obligations should be performed by companies located within the EEA and posting (assigning) their employees to Hungary in order to provide services.

The obligations should be fulfilled electronically (in Hungarian or English) via the labor inspectorate website of the Hungarian Ministry of National Economy.

The following data are required to fulfil the registration: the foreign company's data (e.g. name, headquarters) information relating to the working activity, and contact details of the foreign company's contact person. (The contact person should be an individual who is able to represent the company in relations with the Hungarian Authorities any time upon request).

The registration should be filed by the foreign company by no later than the first Hungarian workday of the employee. (The Hungarian company may also file the registration on the foreign company's behalf.) Prior to the start of posting (assignment), the Hungarian company should inform the foreign company about labor rules applicable in Hungary.

Furthermore, it is also a requirement to keep and upon request disclose to the authorities documentation concerning the assignee (e.g.: employment contract, time-sheets, proof of payment) during the period of the employee's Hungarian posting (assignment) and for a further 3 years following the end of the posting (assignment).

Posting from non-EEA countries should also be reported to the Hungarian Ministry of National Economy in an e-mail format.

7. Penalties for non-compliance

For failure to file the form T104, the Hungarian tax authority may impose a fine of up to HUF 500,000.

No special penalties have been introduced into Hungarian legislation for non-compliance. However, in the case of a labor inspection the relevant authority

may appeal to fulfil the above obligations and might levy penalties accordingly. The amount of the penalty depends on the Authority's discretionary decision and might be between HUF 30,000 – HUF 20,000,000 (approx.: EUR 96 – EUR 64,238).

8. Public sources of information

The link below includes information about collective bargaining agreements. Although it is mandatory to report the conclusion of a collective bargaining agreement in Hungary, a number of the relevant parties (employer and trade union(s)) do not comply with this obligation. The datasheet to be filled out by the employer and the content of the collective bargaining agreement applicable to more than one employer may only be disclosed to others if the contracting parties have previously consented thereto (<http://www.mkir.gov.hu/ksznnyilv.htm>).

Information about the current Hungarian laws in connection with posting are available at the following site http://www.ommf.gov.hu/index.php?akt_menu=551.

The following is the "homepage" of posting, where the aforementioned information link may also be found in addition to a Q&A section and the link where the declaration of posting may be made by the employer: http://www.ommf.gov.hu/?akt_menu=547&set_lang=123.





Iceland

In the case of assignments to Iceland, a formal notification must be submitted to the local authorities by the host employer within 7 days of the assignee’s arrival.

1. Minimum wage at national level

Iceland does not have a minimum wage requirement set at national level.

2. Minimum wage set through collective bargaining agreements

There are minimum wage requirements included within the various collective bargaining agreements.

All Icelandic employees must contribute to a union of their choice, each union applying a different minimum wage. The current minimum wage is applicable as from 1 May 2015 and it is revised when the collective wage agreements are updated.

Currently, the minimum wage for the majority of Icelandic unions is ISK 300,000 (approximately EUR 2,220). Generally, the minimum wage is applicable to all categories of workers, with no difference between blue collar workers and highly skilled workers with an EU blue card. However, there may be certain differences depending on the collective agreement that applies.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Bonuses	Housing
Special payments (Foreign service premium, Hardship premium, Country allowance, Assignment allowance)	Transportation costs Meal costs Overtime payments

4. Legal hours

In relation to the maximum legal working hours, Iceland has defined a maximum of 13 hours per

working day and a maximum of 48 hours per week, including overtime.



5. Implementation of Enforcement Directive 2014/67/EU

Directive 67/2014/EU was implemented in Iceland's legislation in June 2018 (Act No. 75/2018).

6. Registration requirements

In terms of administrative requirements, in the case of assignments to Iceland, a formal notification must be submitted to the local authorities by the host employer.

The notification should be submitted to the Iceland Registers within 7 days of the assignee's arrival.

For EU/EEA nationals working in Iceland for less than three months a simple registration is sufficient. The registration is carried out by the host employer or their representative. The simple registration does not give the assignee any social security rights in Iceland.

EU/EEA nationals that intend to work in Iceland for more than three months need to fill out form A-270 and deliver it in person to the offices of Registers Iceland or the offices of the municipality in which the assignee resides.

Service companies which are established in another EEA member state and which post workers to Iceland on a temporary basis in connection with the provision of services for more than 10 working days in each twelve-month period are required to provide the Directorate of Labor with information on, amongst other things, the provision of the services and a survey of the workers who will be working in Iceland under the company's auspices.

If a company provides a service in Iceland for a total of more than four weeks in any twelve months, it must have a representative in Iceland. The representative may be one of the company's workers who are temporarily employed in Iceland. It is not necessary to nominate a representative if fewer than six workers are normally working in Iceland under the company's auspices. The company's representative is required to represent it and be responsible for providing the authorities with information.

7. Penalties for non-compliance

A fine can be imposed for non-compliance with the registration requirements.

8. Public sources of information

Please see the Icelandic Confederation of Labor web site: <http://www.asi.is/vinnurettarvefur/icelandic-labor-law/> for any available public information sources with regard to collective bargaining agreements and/or other industry specific agreements.

In relation to obligations of foreign entities assigning personnel to your country (e.g. obligation to notify the relevant authorities as per the Directive etc.) please see the Directorate of Labor web site: <https://vinnumalastofnun.is/en/foreign-workers>





Ireland considers piece and incentive rates, commission and bonuses as part of the minimum wage.

Ireland

1. Minimum wage at national level

Ireland's minimum wage requirement applicable from 1 January 2019 is EUR 9.80 per hour, a rise from EUR 9.55 applicable during 2018.

The minimum wage is stipulated in the National Minimum Wage Act 2000. The minimum wage is determined as an hourly rate and it depends on the age of the employee as follows:

Age	Minimum wage applicable (EUR per hour)
Under 18 years old	6.86 (70% of the minimum wage)
18 years old	7.84 (80% of the minimum wage)
19 years old	8.82 (90% of the minimum wage)
20+ years old	9.80 (the current minimum wage)

2. Minimum wage set through collective bargaining agreements

Certain employees are covered by collective bargaining agreements that deal with the pay and

working conditions of the employees concerned, as follows:

Sectoral Employment Order ("SEO")

An SEO is made by the Minister for Business, Enterprise and Innovation following a recommendation from the Labor Court on matters such as remuneration, pensions and sick pay for employees in a particular economic sector and the SEO is binding on that sector. There are currently two SEOs in place covering the construction sector and the mechanical engineering sector.

Employment Regulation Order ("ERO")

An ERO sets the minimum rates of pay and conditions of employment for employees in a specified business sector. It is an agreement drawn up by a Joint Labor Committee (JLC), adopted by the Labor Court and signed into legislation by the Minister for Business, Enterprise and Innovation. There are currently three EROs in force, two in the contract cleaning industry and one in the security industry.

Registered Employment Agreement ("REA")

An REA is a collective agreement between a trade union or unions and an employer or employers dealing with the pay and/or conditions of employment of specified workers, which is registered with the Labor Court and is only binding on the parties that subscribe to it.





3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic pay	Payment of expenses
Piece and incentive rates, commission and bonuses which are productivity related	Payment by way of a pension, allowance or gratuity in connection with the death, retirement or resignation of the employee or as compensation for loss of office
Zero hour protection payments	Payment relating to redundancy
Any sum payable to an employee in lieu of notice of termination of employment	Payment in kind or benefit in kind
Shift allowances	Holiday pay, sick pay, maternity pay
The monetary value of board and/or lodgings	Overtime premium

4. Legal hours

The maximum average legal working hours in Ireland are 9.6 hours per day or 48 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive 2014/67/EU was transposed into Irish legislation in July 2016 by means of the European Union (Posting of Workers) Regulations 2016 (the “Regulations”).

The key measures introduced in these Regulations include:

- A requirement for foreign employers referred to as service providers established in another member state to notify the Workplace Relations Commission (the “WRC”) when posting workers to Ireland - they must provide information which will allow the WRC to monitor posting activity and ensure compliance with posting rules.
- A subcontracting liability in the construction sector to guard against posted workers being paid less than their minimum entitlements – where a posted worker in the construction sector is not paid the applicable statutory rates of pay by their direct employer, the contractor one step up the supply chain can also be held liable.
- The creation of a right for a posted worker to refer a complaint to the Director General of the WRC naming both their employer and the contractor one step up as respondents.
- The introduction of a defence of due diligence for the contractor in any claim before the WRC - the Regulations set out in detail the test or criteria which the contractor will have to satisfy in order to use the defence of due diligence.
- Measures which allow for the enforcement of cross border financial administrative penalties and fines.

6. Registration requirements

Foreign employers posting employees to Ireland for the provision of transnational services, are required to hold and keep (during the whole period of assignment and following the end of assignment) copies (in electronic format or hardcopy) in an accessible place of the following documentation:

- The employment contract of a posted employee or the written statement of terms of employment (within the meaning of s3 of the Terms of Employment (Information) Act 1994) or other equivalent document certifying employment terms.
- Where relevant, time sheets or equivalent documents indicating the working time of a posted worker including the commencement and termination of work and the number of hours worked on a given day.
- Payslips or equivalent documents specifying the remuneration of a posted worker along with the amount of deductions made in accordance with the applicable law and proof of transferring the remuneration to the employee i.e. proof of wages.

During the period of assignment and after this period, the employer posting an employee to Ireland is required to make the above documentation available at the request of the WRC, together with the appropriate translation into the English language (if necessary), no later than one month from the date of receiving the request.

The Regulations impose the obligation on foreign employers to designate a person to liaise with the WRC and to send out and receive documents and notices as necessary. The Regulations do not expressly dictate that this should be an Irish resident person but this approach would appear the most practical i.e. a person within the host company or within KPMG as their agent.

For each individual secondment from the same employer, it is necessary to complete the prescribed Form of Declaration with the following details:

- Name and address of service provider
- Name and address of contact person
- Name and personal details for each seconded worker (name, address, date and place of birth, nationality, social security number (PPSN))
- The expected start and end date of posting
- Location of work
- The nature of the services – job descriptions/job title
- Contact details
- Gross weekly pay
- Total of weekly hours worked
- Gross hourly rate of pay
- Whether a non EEA national holds an employment permit

Once the Form of Declaration is successfully submitted, the WRC will provide an acknowledgement to the service provider.



7. Penalties for non-compliance

Failure to pay the national minimum hourly rate of pay is a criminal offence, punishable upon summary conviction by a fine not exceeding €2,500 or imprisonment not exceeding 6 months or both.

The Regulations provide that breaches of the administrative requirements and control measures are an offence and hence the service provider may be liable:



On summary conviction, to a class
A fine (currently €5,000), or

On conviction or indictment, to a
fine not exceeding €50,000.



If such an offence is committed by a body corporate and the offence is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a person who is a director, manager, secretary or other similar officer of the body, or is a person who was purporting to act in any such capacity, that person as well as the body corporate commits an offence and is liable to be prosecuted and punished as if that person had committed the first-mentioned offence.

If the affairs of a body corporate are managed by its members, the above paragraph applies in relation to the acts and omissions of a member of the body corporate in connection with the member's functions of management as if the member were a director or manager of it.

8. Public sources of information

Sectorial specific agreements (Sectorial Employment Orders and Employment Regulation Orders) can be accessed at www.workplacelrelations.ie

Obligations as per the Directive can be also found at www.workplacelrelations.ie



Italy



The minimum wage is determined by negotiation between employers and different unions and depends on certain criteria such as industry or professional expertise of the employee.

1. Minimum wage at national level

Italy does not have a minimum wage set at national level.

2. Minimum wage set through collective bargaining agreements

The minimum wage is generally established by the National Collective Labor Agreements, which are updated yearly for each category of employee.

The minimum wage is determined by negotiation between employers and different unions and it depends on the industry, employees' level, etc.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Production bonuses
CCNL may also include provisions on overtime rates, seniority payments and travel indemnities	Other bonuses
Paid holiday	Extra payments over and above the collective national contract

4. Legal hours

The maximum legal working hours in Italy are 8 hours per day or the equivalent of 40 hours per week. Overtime is allowed up to 8h/ week, 250 h/ year, followed by a customized approach in relation

to the collective agreements, which are based on the employee's status/ occupation within the company/ district.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive 2014/67/EU was transposed into Italian legislation in July 2016 by means of Decreto Legislativo n136 of 17 July 2016 (published in the Official Journal of 21 July 2016) and the legislation came into force from 22 July 2016.

Subsequently a further decree, Decreto Legislativo 10 August 2016 of the Ministero del Lavoro e Delle Politiche Sociale introduced the administrative architecture underpinning the legislation.

6. Registration requirements

Foreign employers (EU and non -EU) and placement agencies who post employees to Italy are now required to notify the Ministry of Labour, not less than 24 hours before the secondment starts and in the event of any changes to the conditions of the secondment. The website and online registration form is available in both the Italian and English languages.

The responsibility for registration and compliance rests with the foreign employer (seconding employer), although they will need to identify representatives in Italy responsible for record keeping and liaison with the social parties. It is, of course, possible to appoint either a representative of the host company or an external third party to carry out these roles. The new legislation now makes it clear that the Ministry of Labor will notify INPS (the Social Security Agency) of secondments to enable a cross-check with the A1 position.

Legislative Decree no. 136 and the Decree of the Ministry of Labor impose the obligation on foreign employers to appoint a person resident in Italy authorized to represent the foreign company in:

- Maintaining records and liaison with the competent Italian authorities, and
- Acting as legal representative for putting the social parties (unions etc.) in contact with the employer for possible collective negotiations. This person does not have to be present at the workplace but must be available as required.

The same or different people can fulfill the record keeping and liaison roles and an external consultant, such as a registered Labor Consultant can fulfill one or both the roles.

Since the name and details of the record keeper are required as part of the online registration process, the identities should be established before the first secondment takes place.

As noted above, the Ministry of Labor has opened a dedicated portal for online registrations. It is the obligation of the home employer or designated agent to make the registration.

First, the employer needs to obtain a User ID and password from Cliclavoro and then set up their employer details. For each secondment, it is necessary to register:

- The home employer's legal name and registered office
- Details of the legal representative of the home country employer (who can also be non-resident in Italy)
- The host country employer
- Name and details of the record keeper
- Name and details of the liaison person

For each individual secondment from the same employer, it is necessary to register:

- Name and personal details for each seconded worker (name, date and place of birth)
- The expected start and end date of posting
- Location of work
- The nature of the services justifying the posting to Italy
- Contact details

Once the online registration is successfully submitted, a single consecutive protocol number is issued and it is possible to download a PDF copy of the protocol and registration details.

A separate procedure has now been instituted for cabotage operations.

Employers posting employees to Italy are required to hold and keep for the whole assignment and a further two years after the end of assignment, copies of the:

- Employment contract of a posted employee or other equivalent document certifying employment conditions.
- Working time of a posted worker indicating the commencement and termination of work and the number of hours worked on a given day.
- Documents specifying the remuneration of a posted worker along with the amount of deductions made in accordance with the applicable law and proof of transferring the remuneration to the employee.

The employer must have the above documents translated into Italian and available in maximum 5 days after the Italian Labor Inspectors request them.



7. Penalties for non-compliance

Decreto Legislativo n136 introduces a penalty regime for discrepancies committed by an employer posting an employee to Italy as follows:

- An administrative penalty of between Euro 150 and Euro 500 for failure to register a new secondment on time
- A penalty for violations of record keeping requirements from Euro 500 to Euro 3000 per individual employee involved

- A penalty for failure to appoint a liaison or record-keeper of Euro 2,000 to Euro 6,000
- The total of all penalties cannot exceed Euro 150,000

In cases where a secondment is not considered authentic, the fines can range from euro 50 for every employee involved per day, subject to a minimum of Euro 5,000 and maximum of Euro 50,000.

8. Public sources of information

A full list of all current National Collective Agreements is available at the following Link. These are in the Italian language, <https://www.cnel.it/Contratti-Collettivi/Contrattazione-Nazionale/Archivio-Corrente>.

The Italian legislation more or less implements Directive 2014/67/EU on a word for word basis. A very useful portal and online registration form (www.clicklavoro.it) has been set up, allowing speedy and efficient online registration.

More information on the regulations including FAQs in English are available at the following link <http://www.distaccoue.lavoro.gov.it/Pages/Home.aspx?lang=eng>.





In the case of assignments to Latvia, host employers need to notify the tax authority one day before the employee starts working and the home employer is required, prior to posting the employee, to inform the Latvian State Labour Inspectorate.

Latvia

1. Minimum wage at national level

Latvia has a minimum wage requirement in place. The Latvian Government reviews the minimum wage level each year. The Latvian minimum wage in 2019 is

a fixed amount of EUR 430 per month and it does not depend on professional expertise, industry or age.

2. Minimum wage set through collective bargaining agreements

The minimum wage set through collective bargaining agreements cannot be contrary to laws and

regulations in Latvia.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary	Compensation of business trip advances
	Per-diems Bonuses Overtime payments Vacation pay

4. Legal hours

The maximum working time in Latvia is 8 hours per day or 40 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive 2014/67/EU is transposed by Latvia into the Labor Law, as well as into the

Latvian Administrative Violations Code and Civil Procedure Law.

6. Registration requirements

In the case of assignments to Latvia, host employers need to notify the tax authority about all new hired employees one day before the employee starts working (one hour before if reported through the electronic declaration system).

The provisions of the Labor Law do not apply to ships' crews of merchant shipping companies.

The employer should ensure the storage of the concluded employment contracts, assignment agreements, pay-slips, time-sheets and documents which prove the payment of wages by its representative in Latvia, who is authorized to represent the employer in relations with Latvian state institutions and in court. This information should be presented to the supervisory and controlling authorities, and, if required by such authorities, translation of such documents into the official (Latvian) language should be ensured.

The storage and presentation period expires two years after the completion of the posting.

The employer who posts an employee to perform work in Latvia is required, prior to posting the employee, to inform in writing (in the Latvian language) the Latvian State Labor Inspectorate about the posted employee, indicating:

- The given name, surname and address of an individual who is the employer, or the name (business name) of the legal entity (company), its registration number, address and other contact information (telephone number, e-mail address).
- The given name and surname of the employee.
- The anticipated duration of the posting, as well as the date of commencement and completion of work.
- The location of performing the work (if the performance of work duties is not intended to be in a certain place, it must be specified that the employee may be employed in different locations).
- A representative of the employer, including the given name, surname and contact information.
- A person for whose benefit the work will be performed (recipient of a service) as well as the nature of the services justifying the posting.
- A certification that a posted employee who is a third-country national legally works for an employer in the European Union Member State, the European Economic Area State or the Swiss Confederation.

An employer is required to appoint a representative (item 5 above) who is authorized to represent the employer in relations with Latvian state institutions and in court and to whom the parties of the collective agreement may refer in order to launch negotiations on entering into a collective agreement in accordance with the provisions of the Labor Law. The employer may also assign two different persons – each for one of the above cases.

7. Penalties for non-compliance

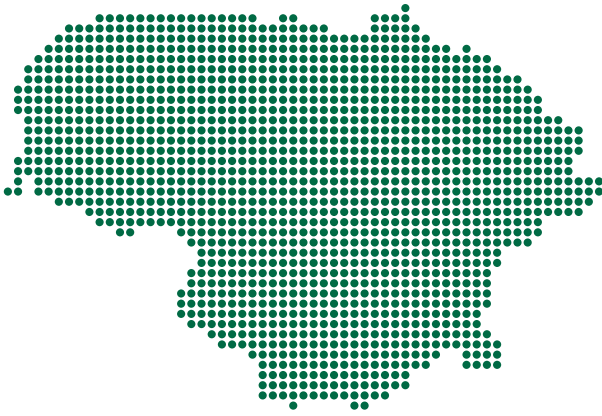
An employer which fails to comply with the regulations for posting an employee to carry out work in Latvia will be subject to administrative penalties in accordance with the procedures of the Latvian Administrative Violations Code.

The amount of the penalty depends on the nature of the violation, frequency of the violation, severity etc. The fine for non-compliance in general with Latvian Labor Law may range between EUR 70 – EUR 7100. However, the Latvian Administrative Violations Code also lists other specific employment related violations for which the penalties may reach EUR 14000.

8. Public sources of information

For public information about obligations of foreign entities which send employees to perform work in Latvia, you may access the Ministry of Welfare of the Republic of Latvia webpage <http://www.lm.gov.lv/eng/information-for-employers/posting-of-workers-to-carry-out-work-in-latvia>





Besides the regular salary received during an assignment, per-diems are considered as part of the minimum wage.

Lithuania

1. Minimum wage at national level

Lithuania has a minimum wage set at national level.

As from January 2019 the gross minimum wage is EUR 555 per month (equivalent of EUR 3.39 per hour).

In accordance with the new Labor Code, as from July 2017 the minimum monthly wage can only be paid for unqualified work. Work is considered to be unqualified, if no specific qualifications or skills are required from the employee.

Blue collar



MONTHLY AMOUNT
EUR 555

HOURLY AMOUNT
EUR 3.39

Highly skilled (Blue card)

MONTHLY AMOUNT
EUR >555

HOURLY AMOUNT
EUR >3.39



There are no general rules established in Lithuania to change or review the minimum wage regularly, e.g. annually or in January each year. This is basically a

political issue so it is difficult to predict the particular upcoming changes in the future.

2. Minimum wage set through collective bargaining agreements

The minimum wage is set by the Lithuanian Government at national level. It is also permissible to

set a higher minimum wage in collective agreements at company level.



3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Housing
Bonuses (depending on the type of bonus)	Transportation costs
Special payments (E.g. Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of living allowance – depending on the type of payments)	Meal costs
Per-diems	Bonuses (depending on the type of bonus) Overtime payments

4. Legal hours

Standard working hours in Lithuania are 8 hours per day or the equivalent of 40 hours per week. Various exceptions may be applicable in accordance with specific laws, government resolutions and collective agreements. According to the Labor Code, maximum working hours, including overtime but excluding work

under an agreement on additional work, must not exceed 48 hours in any 7 calendar days. Maximum working hours, including overtime and work under an agreement on additional work, must not exceed 12 hours per day and 60 hours in any 7 calendar days.

5. Implementation of Enforcement Directive 2014/67/EU

The Directive was implemented in Lithuania on 28 June 2016 by amending the Lithuanian Law on Guarantees Applicable for Assigned Employees. However, as from 1 July 2017 this law has been revoked and the provisions on assigned employees

have been transferred to the newly adopted Lithuanian Labor Code, the Lithuanian Law of the National Labor Inspectorate and the Note on Provision of Information About Assigned Employees.



6. Registration requirements

In terms of administrative requirements, a foreign employer who posts employees to Lithuania is required to notify the Lithuanian labor authorities with respect to these postings. The notification must be submitted no later than one working day prior to the start date of activity of the assignees. Non-compliance with the above mentioned requirement can lead to various penalties for the posting employer.

If the stay of an assignee in Lithuania exceeds 3 months during a 6 month period, he/she is required to obtain a certificate confirming the right to reside in Lithuania from the migration authorities (applicable for EU/EEA/Swiss citizens only).

Once the certificate is obtained, he/she will also have to declare his/her place of residence to the municipality. No specific deadlines exist for migration obligations. However, the necessary certificates (registrations) must be obtained (completed) when relevant obligations arise.

Article 107 Part 6 of the Lithuanian Labor Code states that an employee assigned to a foreign country for a period exceeding 30 days should be provided with

certain information, in particular: information about the employer, place where the work function will be performed, the type of employment agreement, description of the work functions, start and end dates of the work, details of the annual vacation, information on how the termination of the employment agreement may be initiated, salary, working time, information about the valid collective agreements, the term of assignment, currency of the salary, other applicable payments / benefits, relocation conditions, etc.

Under Article 109 Part 1 of the Lithuanian Labor Code and Article 3 of the Note on Provision of Information About Assigned Employees, a foreign employer (assigning company) delegating an employee for a temporary assignment in Lithuania for a period exceeding 30 days (or delegating an employee to perform construction works) should notify the local department of the Lithuanian Labor Inspectorate about the assigned employee. The notification should be filed in Lithuanian and should be provided not later than one day before the start of the work (assignment) in Lithuania.

7. Penalties for non-compliance

Assignments of foreign employees to Lithuania, irrespective of the time spent in the country, may trigger certain tax obligations for the assignee and/or for the host company. Certain assignments to Lithuania also have to be reported for tax purposes by Lithuanian companies. Therefore, in general,

international assignments can be tracked by the authorities and this is one of the areas they monitor.

Non-compliance with the registration requirements may result in a penalty. The amount thereof depends on the frequency of the violation, the severity etc., and it may be up to EUR 440.

8. Public sources of information

The list of collective agreements can be found here: <https://socmin.lrv.lt/lt/paslaugos/administracines-paslaugos/kolektyviniu-sutarciuregistras>.

Publicly available information on obligations of foreign entities assigning personnel to Lithuania:

https://www.vdi.lt/Forms/Tema.aspx?Tema_ID=50.





Per diems, cost of living allowances and foreign service premiums may be considered as part of the minimum wage.

Luxembourg

1. Minimum wage at national level

Luxembourg legislation provides for a minimum wage requirement.

As from January 2019, the minimum wage applicable was set at EUR 2.071.10 per month. However this is

updated periodically, with no specific rule as to how often the update takes place. The minimum wage is determined as a fixed amount and it depends on the worker's age and skills.

Age	Skill	Minimum wage (EUR)
15-16	Blue collar	1,553.33 (75% of the standard minimum wage)
17-18	Blue collar	1,656.88 (80% of the standard minimum wage)
Over 18	Blue collar	2,071.10 (100% of the standard minimum wage)
Over 18	Highly skilled	2,485.32 (120% of the standard minimum wage)

2. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Reimbursement of professional expenses
	Housing Transportation costs Meal costs Overtime payments Bonuses Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance) Per-diems

3. Implementation of Enforcement Directive 2014/67/EU

On 14 March 2017, the Luxembourg Parliament adopted a new law on the posting of workers, transposing Directive 2014/67/EU into national legislation. This new law amended both the Labor

Code and Article 3 of the Law of 17 June 1994 (published in Mémorial A n°. 300 de 2017). It entered into force on 24 March 2017.

4. Registration requirements

Prior to the employee's start-date in Luxembourg, the following essential information for obtaining the social badge should be reported via the online platform e-Détachement:

- Details of the posting employer and its effective representative
- Details of the legal entity or individual, present in Luxembourg, who will be the contact for the ITM and other authorities
- The start date and the expected duration of the posting, in accordance with the service contract
- The place(s) of work in Luxembourg and the foreseeable duration of work
- The surnames, first names, dates of birth, nationalities, and professions of the employee
- The capacity in which the employee is engaged in the company and the profession or occupation which he/she usually has, as well as the activity to be performed during the posting to Luxembourg

To substantiate the information above, the following documents are required:

- A copy of the labor supply contract, where applicable
- The certificate of prior declaration (certificat de déclaration préalable) or the certificate replacing it issued by the Ministry of the Middle Class (Ministère des classes Moyennes)
- The original or certified copy of the A1 certificate
- The VAT certificate issued by the VAT administration (Administration de l'enregistrement et des domaines)

- A copy of the employment contract or a certificate of compliance with Directive 91/533 of 14 October 1991 on an employer's obligations to inform employees of the conditions applicable to the contract or employment relationship
- In the case of part-time work or a fixed-term employment contract, a certificate of conformity issued by the competent control authority in the country in which the posting undertaking has its registered office or usual place of operation
- The official documents attesting the professional qualifications of the workers
- Payslips and proof of payment for the duration of the posting
- A register indicating the beginning, end, and duration of each workday for the whole duration of posting
- A copy of the stay permit or residence permit for each third-country worker posted to Luxembourg
- A copy of the pre-employment medical certificate

All documents must be translated into French or German.

Any subsequent changes, including the location or purpose of the work, should be reported to the ITM.

The registration should be completed prior to the first work day in Luxembourg.

Luxembourg law provides for the posting entity to indicate a legal representative in Luxembourg to establish contact with the Luxembourg authorities. According to the law, if this entity has no legal representative in Luxembourg, one of the employees posted to Luxembourg should be designated as a contact person with the Luxembourg authorities.

5. Penalties for non-compliance

According to the law, the Luxembourg authorities may issue fines of between €1,000 and €5,000 for infringements of the provisions related to the posting of workers. The fine may be doubled if repeated

offences are committed within a period of two years following the date of notification of the first fine. The fine applies per posted worker, with a cap of €50,000.

6. Public sources of information

For public information on obligations of foreign entities assigning personnel to Luxembourg, please visit the website: <http://itm.lu/en/home.htmls>.

To allow employers to comply with the new law, the existing electronic platform (<https://guichet.itm.lu/edetach/>) has been improved and extended. This website is available in French, German, and English.





Malta

It is the responsibility of the employer posting the worker to Malta to notify the Director of Labour and the Director of Industrial and Employment Relations (DIER) of its intention to post a worker to Malta prior to the commencement of the posting.

1. Minimum wage at national level

Malta has a minimum wage set at national level.

However, the minimum wage requirement is determined by the economic activity of the enterprise as stipulated in the applicable Wage Regulation Order

and by the age of the employee.

Where no Wage Regulation Order applies, the level of the minimum wage effective as of January 2018 is as follows:

Age	2018	2019
Under 17 years	EUR 162.89	EUR 166.22 per week
Aged 17 years	EUR 165.73	EUR 169.06 per week
Aged 18 and over	EUR 172.51	EUR 175.84 per week

The minimum wage increases annually and is expected to change starting from 1 January of each year

2. Minimum wage set through collective bargaining agreements

The Employment and Industrial Relations Act (Chapter 452 of the Laws of Malta) provides for the possibility of collective bargaining agreements to be negotiated between an employer and one or more organizations of employees about conditions of employment.

These collective agreements include a wide range of matters including the possibility of negotiations in relation to salary scales and annual increments higher than those provided for by the national minimum wage.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Housing
	Transportation costs Meal costs Statutory bonuses Weekly allowances Cost of Living Adjustment

4. Legal hours

In terms of legal working hours, the general rule is that the average working time, including overtime, must not exceed 48 hours for each seven day period, spread over a reference period of seventeen weeks. It

is, however, possible to exceed this average provided that the employee consents in writing. Exceptions also apply in relation to certain types of employment covered by a particular Wage Regulation Order.

5. Transposition of the Enforcement Directive 2014/67/EU

The Enforcement Directive was transposed into Maltese law by means of the Posting of Workers

in Malta Regulations, 2016 (Subsidiary Legislation 452.82 of the Laws of Malta).

6. Registration requirements

In terms of administrative requirements, in the case of assignments to Malta, it is the responsibility of the employer posting the worker to Malta to notify the Department of Industrial and Employment Relations of the intention to post a worker to Malta, prior to the date of posting.

While carrying out work in Malta an employee who is posted from an EU/EEA country is not required to apply for a working license in Malta. In the case of a third country national (TCN) an employee who is employed by a posting undertaking that is established in an EU/EEA country, does not need to go through a working license procedure in Malta if the posted worker already holds a working license issued in the country where the posting undertaking is established. However, the employee is still required to transfer the permit by liaising with the employment agency.

For any foreign national who is posted to Malta by an undertaking established outside an EU/EEA country, a working license is required to be issued by Jobsplus prior to the commencement of the posting.

In any case of a posting to Malta, the undertaking posting the worker is required to notify the Director of Industrial and Employment Relations (DIER) of its intention to post a worker to Malta. A 'Notification of a Posted Worker to Malta' form must be prepared for this purpose. The Notification Form should be accompanied by supporting documentation including a copy of the employee's passport bio page, a copy of the principal employment contract, a copy of the

contract of posting and, in the case of a TCN posted employee from an EU/EEA country, also with a copy of his/her existing working license, and it should reach the Department of Industrial and Employment Relations prior to the commencement of the posting. The undertaking making use of the services of the posted worker is required to keep a copy of this Notification Form and the requisite supporting documentation at the place of work for monitoring purposes by the DIER inspectors.

All employees posted to Malta are entitled to receive equality of treatment with Maltese employees. Minimum conditions include maximum work periods and minimum rest periods as applied to various classes of employees, minimum paid annual holidays as applied to various classes of employees, minimum rates of pay, including overtime rates as applied to various classes of employees, equality of treatment between men and women and other non-discrimination provisions in accordance with the laws of Malta, protective measures with regard to terms and conditions of employment protecting pregnant women or women who have given birth a short while before, protective measures in accordance with the laws of Malta with regard to terms and conditions of employment protecting children and young people, measures in accordance with the laws of Malta relating to health, safety and hygiene at work, as well as the conditions for hiring out of workers, in particular the supply of workers by temporary employment undertakings.



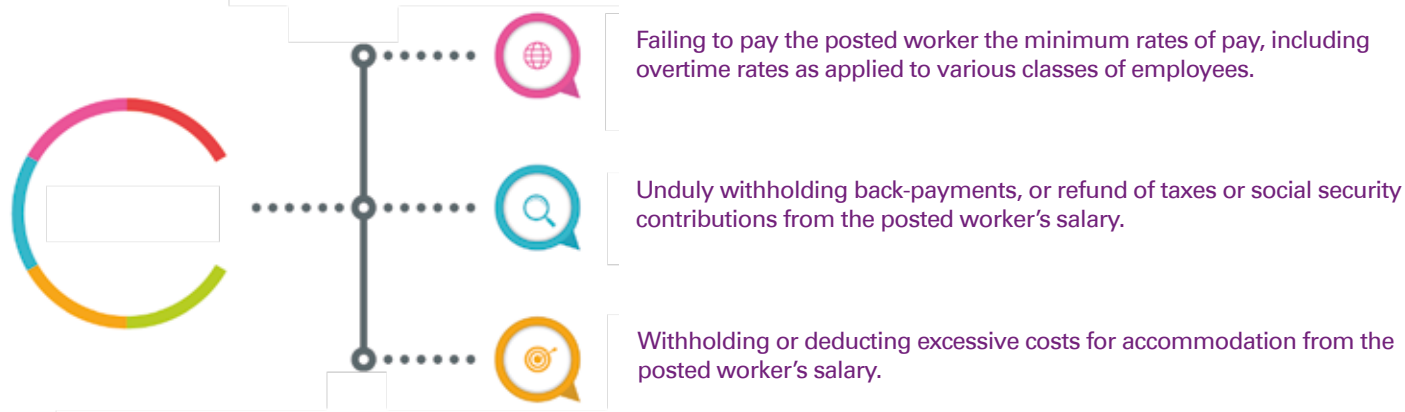
7. Penalties for non-compliance

For breaching the provisions of the Posting Workers in Malta regulations, a fine of between EUR 117 and EUR 1,165 may be imposed.

In the case of non-compliance with the minimum wage requirement, penalties between EUR 232.94 and EUR 2,329.37 may apply. In addition, the

employer may be liable to pay the employee the amount due.

In cases of criminal conviction for certain offenses, the employer is subject to penalties as well as being required to pay the posted employee the amounts due to him/her. These offenses are:



8. Public sources of information

Please refer to the following wage regulations orders which are applicable to particular industries:

<https://dier.gov.mt/en/Legislation/Pages/Wage-Regualtion-Orders.aspx>.

For information about obligations of foreign entities assigning personnel to Malta please visit the following website: <https://dier.gov.mt/en/Employment-Conditions/Posting%20of%20Workers%20in%20Malta/Pages/Information.aspx>.





The service provider will have a notification obligation, while the Dutch recipient should verify the notification.

The Netherlands

1. Minimum wage at national level

Currently, the Netherlands has a gross minimum wage set at national level. However, the minimum wage is determined based on the age of the employee. The age barrier for entitlement to the full minimum wage has gone down from 23 to 22 years

effective 1 July 2017 and this will further drop to 21 from 1 July 2019.

The level of the minimum wage is determined monthly, weekly and daily as per the table below:

Period	Employees over the age of 22* - 2018	Employees over the age of 22* - 2019	Employees over the age of 21 - after 1 July 2019
Daily	EUR 72.83	EUR 74.58	EUR 75.49
Weekly	EUR 364.15	EUR 372.90	EUR 377.45
Monthly	EUR 1,578.00	EUR 1,615.80	EUR 1,635.60

* Employees under the age of 22 are granted a different minimum wage.

A new provision has applied since January 2016 stating that the minimum wage should be paid to a bank account. Furthermore, a mandatory holiday allowance of 8% of the gross wage is applicable.

Blue collar workers can only work in the Netherlands for the minimum wage mentioned above if they are EU/EEA or Swiss nationals. Special salaries, higher than the minimum wage, apply to non-EU/EEA and Croatian highly skilled migrants who apply for residence work authorizations and for blue card holders.

2. Minimum wage set through collective bargaining agreements

Effective 1 January 2018 the minimum wage also applies to any work hours in addition to the regular working hours in the profession or industry, unless this work is paid as compensatory time-off.

Another important change effective since 1 January 2018 is that independent contractors or freelancers are covered by the scope of the law and should thus also be paid at least the minimum wage.

The applicable number of working hours can be determined in the collective bargaining agreement. These agreements can also contain different agreements with respect to the applicable minimum wage where this may never be less than the statutory minimum wage as per the above table.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Compensation for overtime	Housing
Additional payments for e.g. irregular working hours, night shifts	Transportation costs
Structural (weekly or monthly) payments based on the employee's turnover (so the amount can vary but the payments themselves should not be incidental)	Bonuses Holiday allowances Payments for special events, entitlements to receive payments in the future, reimbursements which are supposed to cover necessary expenses as a result of the employment, special reimbursements for wage-earners and heads of families, year-end payments, employer's contributions to health insurance Profit sharing payments Meal costs

4. Legal hours

The law does not lay down how many hours there are in a full working week. There are usually 36, 38 or 40 hours in a full week, depending on the normal work hours in the particular profession. Therefore the hourly minimum wage varies.

The maximum legal working schedule in the Netherlands is 12 hours per day or 60 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

Effective 18 June 2016, the Directive's rules were taken over in the act "Wet arbeidsvoorwaarden gedetacheerde werknemers in de Europese Unie" or WagwEU. In accordance with the Directive, the aim

of WagwEU is to ensure that assignments really are temporary, that self-employment is not fake and that the sending company has substance.

6. Registration requirements

Further to the EU Enforcement Directive, the corresponding Dutch act (abbreviated as "WagwEU") contains the checks which the authorities may apply to determine if an employee is temporarily assigned to work in the Netherlands and, in this way, falls under the scope of the act. Examples of these checks are: the duration and start-date, whether the employee will return, whether he/she normally works in the home country, the nature of the activities performed in the host country, whether or not the sending company pays for housing in the host country, earlier time spent in the Netherlands, proof of continuation of the home country social security, from where and how regularly the services are managed, who pays etc.

WagwEU requires the sending company to have (either in hardcopy or electronically) the following information available at the employee's place of work: the contract of employment, documents showing the number of hours worked, copy/ copies of payslip(s), proof of payment of social security contributions (the A1 social security certificate of coverage), proof of the identity of the sending and receiving companies, the assignee and the person responsible for paying the assignee's wage and proof showing that the assignee's salary has been paid. Upon the authorities' request, the sending company is responsible for providing this information after or during the assignment within a reasonable timeframe.



To help employers comply with the legislation there will be a central website in English, German Dutch, (and probably in Polish and Romanian as well) via which the sending company should register the assignee and which shows all the relevant conditions for companies to register.

However, the digital reporting system through which the information should be submitted by the foreign employer, is not yet in place in the Netherlands. The filing obligation has been suspended and is expected

mid- 2019. The receiving company should verify if the sending company has complied with its reporting obligation. For this the sending company should send the receiving company a copy of the registration. If the sending company has not / not fully met its obligations, the receiving company should report this to the authorities prior to the start of the work.

WagwEU provides for the sending company to appoint a contact person in the Netherlands to act as a liaison with the authorities.

7. Penalties for non-compliance

The penalties for non-compliance can be about EUR 12,000 depending the frequency of the violation and its severity. The Dutch authorities are very strict in enforcing the employer's obligation to pay staff according to the Minimum Wage Act. This is audited in several ways, for instance by the authorities

checking the central payment system (SUWI-net) or by inspections on site by the Labor Inspectorate. Furthermore, construction sites must maintain a strict gate administration which is very often checked as well.

8. Public sources of information

There are many different collective labor agreements in the Netherlands. The following website has a collective labor agreements search function, which might be useful: <https://www.fnv.nl/sector-en-cao/alle-caos/>

Public information on obligations of foreign entities assigning personnel to the Netherlands may be found on the link <https://www.government.nl/documents/publications/2016/10/20/factsheetterms-of-employment-posted-workers-in-the-euact>



Norway



In Norway allowances cannot be included in minimum wage.

1. Minimum wage at national level

Norway is one of the Nordic countries which does not have a statutory fixed minimum wage requirement in place.

2. Minimum wage set through collective bargaining agreements

Generally, remuneration is negotiated between the parties, either individually or collectively.

However, in certain industries or business sectors there are generally applicable collective bargains in place, which provide mandatory minimum wages for certain groups of employees.

The minimum wage can change at different times for different industries. However, generally, it changes annually, during spring. The minimum wage depends on education, experience etc.

Below you can find some examples of the current mandatory minimum pay in certain industries:

Industry	Qualifications	Mandatory minimum wage per hour
Building sites	Skilled employees	NOK 203,80
	Unskilled employees	NOK 183,10
	Unskilled, min. 1 year work experience	NOK 191,00
Maritime construction/shipbuilding industry	Skilled workers	NOK 176,05
	Semi-skilled workers	NOK 168,03
	Unskilled workers	NOK 160,10
	In addition, various increments to wages apply	

Industry	Qualifications	Mandatory minimum wage per hour
Agriculture and horticulture*	Unskilled employees	NOK 138,55
	Skilled workers	NOK 138,55 + NOK 11,75
	In addition, various increments to wages apply	
Cleaner*		NOK 181,43

**the employer should also pay 14.1 % as a pension contribution. In addition to the salary, the employer is required to offer a compulsory private pension scheme (special rules apply) for employees who are members of the Norwegian social security scheme. The contribution paid by the employer is tax free for the employee, but employer social security contributions are calculated on the pension contribution paid.*

In addition, most generally applicable collective bargaining agreements require the employer to cover expenses related to travel, board and lodging for travel within Norway.

Currently, in addition to the industries mentioned above, there are generally applicable collective bargaining agreements in place in the following industries: electro, fish processing enterprises, hotels, restaurants and catering, and the transport industry (both transport of freight and of persons).

It is important to determine whether the work is covered by an agreement which contains provisions on a minimum wage. Moreover, enterprises participating in public procurement will have a contractual obligation to apply minimum pay according to either a national applicable collective bargaining agreement or a generally applicable collective bargaining agreement. This should be assessed prior to submitting a tender.

3. What can be included in the minimum wage

In terms of how the minimum wage is determined, wages are remuneration for labor. Allowances come

in addition to wages and should not be included in minimum pay.

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage per hour	Per-diems Housing Transportation costs Meal costs Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance) Insurance and pension schemes Bonuses Overtime supplement and (if applicable) shift premiums are not included in the minimum wage and should be paid out in addition to the basic hourly wage.

4. Legal working hours

The mandatory normal working hours are maximum 9 hours a day and maximum 40 hours a week. Thus, most employees work 8 hours a day Monday-Friday. Shorter working hours may apply according to a generally applicable collective bargaining agreement or a national applicable collective bargaining agreement. The working hours should be stated in the employment contract.

If the conditions are fulfilled the employer may apply an average calculation of normal working hours. Average calculation of normal working hours means that the employees may work longer hours

per day and week for a specific period, provided the extra hours put in are taken out as free time. On average, the employee must not work more than the maximum normal working hours according to the legislation or the applicable collective bargaining agreement. Before average calculation of working hours can be adopted, certain mandatory requirements must be followed in order for it to be valid. In some cases, average calculation of working hours may require consent from the Norwegian Labor Inspection Authority.

In addition, the Norwegian Annual Holiday Act applies.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive was implemented in the Norwegian Working Environment Act and the

regulation concerning posted workers as from 1 July 2017.

6. Registration requirements

There is currently no requirement to register with the labor authorities or any requirement to appoint a contact representative in Norway as a consequence of the Enforcement Directive. The Ministry of Labor and Social Affairs did not want to implement such arrangements at the time the Enforcement Directive was implemented, without conducting a

more thorough assessment of the consequences of imposing such obligations.

However, In terms of administrative requirements, in the case of assignments to Norway, the employee must be registered with the Norwegian tax authorities on a specific form (RF-1198).

7. Penalties for non-compliance

Breach of the mandatory provisions concerning the minimum wage in the industry sectors with generally applicable collective bargaining agreements may entail compliance/regulatory risk in relation to the Labor Authorities. The Norwegian Labor Inspection Authority may impose penalties in the form of administrative orders, enforcement fines or non-compliance penalties for severe breaches. The same applies for breaches of mandatory working hour provisions.

The maximum non-compliance penalty that may be issued by the Labor Inspectorate is 15 times the basic national insurance amount (15 G), currently approximately NOK 1 500 000.

Non-compliance with reporting employees on form RF-1198 may entail a penalty of NOK 2 300 for each employee.

However, the EFTA surveillance authority considers that the duty to report employees on form RF-1198 distorts competition, and is in violation of the principle of freedom to provide services according to article 36 in the EEA agreement.

The EFTA surveillance authority have therefore concluded that the Norwegian reporting scheme must cease, and it is likely that the requirement to report foreign employees may change in future.

Penalties incurred may be unlawful as a consequence of the decision made by the EFTA surveillance authority, and there may be grounds to claim a refund of any penalties paid.

8. Public sources of information

Several government agencies have cooperated to launch a website called <https://www.workinnorway.no/en/Home>. This website contains some relevant information with regard to working and/or doing business in Norway.

The Ministry of Labor and Social Affairs has the following webpage: <https://www.regjeringen.no/en/dep/asd/id165/>

The Norwegian Labor Inspection Authority also has a website <https://arbeidstilsynet.no/en/> which contains relevant information about minimum wage requirements in various industries, working hour regulations as well as health and safety issues in the workplace.





Besides the regular salary received during a posting, cost of living allowances, foreign service premiums and bonuses are considered as part of the minimum wage as long as they are paid in monetary form.

Poland

1. Minimum wage at national level

Poland has a minimum wage set at national level.

The level of the minimum wage is usually published in September and is applicable from 1 January of the following year. The minimum wage is a fixed amount determined based on the increase in the price of goods.

As from January 2019 the level of the minimum wage is PLN 2,250 (approximately EUR 530) fixed for both blue collar workers and highly skilled workers, corresponding to full time employment, based on an employment contract only (i.e. it is not applicable to civil law based contracts). In 2018, the minimum wage was PLN 2100 (approximately EUR 500).

2. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Overtime payments
Seniority allowance	Housing
Bonuses	Transportation costs
Holiday payments	Meal costs
Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance)	Per-diems, severance payments, night shift payments, social funds payments



3 Legal hours

The maximum legal working hours in Poland are 8 hours per day, or the equivalent of 40 hours per week.

4. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive 2014/67/EU was transposed into Polish legislation in June 2016 upon adoption of the Seconded Persons Act, which entered into force on 18 June 2016.

The new regulations are intended to enforce Directive 96/71/WE of 16 December 1996 (the Basic Directive) concerning the posting of workers in the framework of the provision of services and introduce a range of new obligations for employers who send their staff to Poland.

In order to establish one comprehensive regulation on key issues related to the posting of employees as part of the provision of services, the Polish Seconded Persons Act covers issues regulated by the Basic Directive and Directive 2014/67/EU. Consequently, the Polish Seconded Persons Act includes the provisions implementing the Basic Directive (by transferring them from existing laws), and establishing new regulations, implementing Directive 2014/67/EU.

5. Registration requirements

The Polish Seconded Persons Act sets a requirement for foreign employers to appoint a person (who should stay in Poland during the employees' posting period) authorized to represent the foreign company in contacts with the Polish Labor Inspectorate.

An employer posting an employee to Poland, must submit to the Polish Labor Inspectorate a statement containing the information necessary to check the actual situation at the workplace. The foreign employer is required to meet these obligations (filing the declaration and nominating a contact person) on the first day the employee works in Poland at the latest.

The Polish Labor Inspectorate should be notified of any change to the information contained in the statement no later than within 7 working days of the date of the change.

Statements and information on procedures can be found on the website of the Polish Labor Inspectorate:

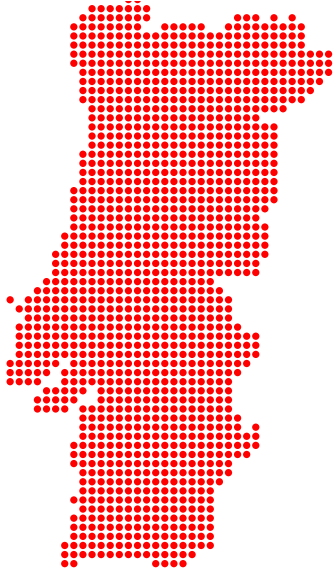
<https://www.pip.gov.pl/en/legality-of-employment/65535,information-on-posting-of-workers.html>

6. Penalties for non-compliance

Penalties of between PLN 1,000 and PLN 30,000 (approx. 200 – 6,500 EUR) can be imposed for offenses against the regulations.

7. Public sources of information

Ustawa z dnia 10 października 2002 r. o minimalnym wynagrodzeniu za pracę (Dz. U. z 2018 r. poz. 2177). – official act of law regulating minimum wage requirements plus implementing acts that are issued each year



The minimum wage does not depend on occupation, industry or age. It is also applicable to all employees irrespective of their professional background (e.g. blue collar workers, highly skilled workers or other categories).

Portugal

1. Minimum wage at national level

Portugal has a minimum wage requirement which is updated as needed by the economic environment, with no specific timetable.

The current level of the minimum wage, applicable from January 2019, is EUR 600 per month and there are no plans for this to be increased. Previously, as from January 2018, the minimum wage was set at EUR 580 per month.

The minimum wage does not depend on occupation, industry or age. The minimum wage is also applicable to all employees irrespective of their professional background (e.g. blue collar workers, highly skilled workers or other categories).

2. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems Overtime payments Housing Transportation costs Bonuses Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance) Any other items that are deemed as employment income, and not included above

3 Legal hours

The maximum legal working time in Portugal is 8 hours per day and 40 hours per week.

4. Implementation of Enforcement Directive 2014/67/EU

The 2014 Enforcement Directive has been implemented in Portuguese legislation via Law

n.º29/2017 of 30 May 2017.

5. Registration requirements

The employer is required to communicate the posting to the Authority for Working Conditions (ACT) with certain particulars, i.e.: the identity of the service provider; the number and identification of the workers to be highlighted; identification of the liaison person; the estimated duration and estimated dates for the start and end of the posting; the address of the place of work; as well as the nature of the services justifying the posting.

To do this, the employer must use the form available at

[http://www.act.gov.pt/\(pt-PT\)/](http://www.act.gov.pt/(pt-PT)/)

CentroInformacao/DestacamentoTrabalhadores/Destacamentodetrabalhadores/Documents/Formulario_destacamentoV2.pdf. The communication should be sent to the email: destacamento@act.gov.pt.

The foreign company must appoint a person to liaise with the appropriate authority and to send and receive documents and information and, where appropriate, to liaise with the social partners on collective bargaining.

6. Penalties for non-compliance

If the service provider fails to declare the posted worker, if the information transmitted is incorrect and/or incomplete, or if the purchaser and the contractor fail to carry out the appropriate checks on the foreign service provider, they are subject to an administrative fine of maximum 9 690 € per posted worker.

If the declaration does not comply with the form and is not sent to the email above, the service provider is subject to an administrative fine of maximum 1 530 €

per posted worker. Failure to comply with the posting of workers obligations, can also lead to penalties such as administrative fines.

The contractor and the employer are jointly responsible for any net remuneration in arrears corresponding to the minimum legal, conventional or guaranteed labor contract remuneration, due to the posted employee.

7. Public sources of information

From a tax perspective, the following websites can be useful:

Portuguese Tax authorities (Portuguese tax system): http://info.portaldasfinancas.gov.pt/pt/docs/Conteudos_1pagina/Pages/portuguese-tax-system.aspx

Social Security Authorities website:

<http://www.seg-social.pt/inicio>





The Romanian minimum wage cannot include cost of living allowances, foreign service premiums, bonuses or per-diems.

Romania

1. Minimum wage at national level

Starting from 1 January 2019, there are three levels of minimum wage in Romania:

- 2,080 RON per month – standard minimum wage.
- 2,350 RON per month – minimum wage for positions which require university studies and work experience of at least 1 year.
- 3,000 RON per month – minimum wage for the construction sector.

2. Minimum wage set through collective bargaining agreements

Minimum wage rates are also established by the applicable collective agreements. However these

amounts cannot be lower than the national minimum gross wage.

3. What can be included in the minimum wage

Under the Romanian labor code, wages are defined as basic wages, allowances, benefits, as well as other additional payments. At the same time the base wages cannot be lower than the national minimum

wage. It is thus considered, that the Romanian minimum wage cannot include cost of living allowances, Foreign Service premiums, bonuses or per – diems.

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Overtime payments	Housing
Bonuses	Transportation costs
	Meal costs Special payments (Foreign service premium, Hardship premium, Country allowance, Assignment allowance)

4. Legal hours

In Romania the standard working hours are 8 hours per day and 40 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive was transposed by Romania by means of Law no.16/ 2017 and its

application norms dated 18 May 2017.

6. Registration requirements

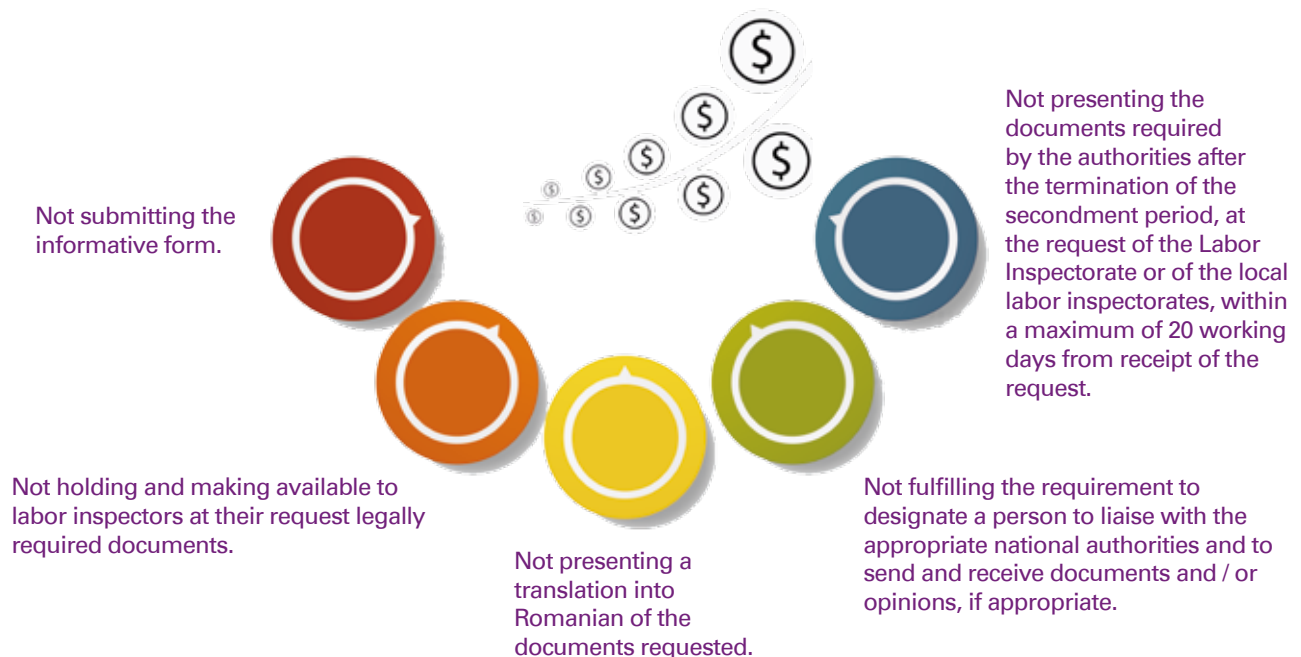
Undertakings established in a Member State other than Romania or in the Swiss Confederation which post employees to Romania are required to send a declaration on the assignment of employees to the local labor inspectorate in whose area the activity is to be carried out, at the latest on the working day prior to commencement of the activity.

Romanian law provides for the posting entity to indicate a legal representative in Romania to establish contact with the Romanian authorities. According to the law, if this entity has no legal representative in Romania, one of the employees seconded to Romania should be designated as a contact person with the Romanian authorities.

7. Penalties for non-compliance

According to the law, the Romanian authorities may impose fines (i.e. RON 5,000 – RON 9,000, the

equivalent of approximately EUR 1,090 – EUR 1,960, at the exchange rate of 4.6 RON/EUR) for:



8. Public sources of information

<http://www.mmuncii.ro/j33/index.php/ro/legislatie/munca2/2019-mobilitatea-fortei-de-munca>

<http://www.mmuncii.ro/j33/index.php/ro/>

<https://www.inspectiamuncii.ro/>

<http://www.itmbucuresti.ro/>



The host employer faces fines exceeding EUR 33,000 if it fails to notify an assignment or employment to the Slovak authorities.



Slovakia

1. Minimum wage at national level

Slovakia's minimum wage is determined annually through government regulation. The Slovak government passes the regulation in October each year and it enters into force starting from 1 January of the following year.

The minimum wage is determined as a fixed, monthly amount, for employees who are paid monthly and have a regular weekly working time.

The minimum monthly wage in 2019 is EUR 520. For other employees an hourly rate is applicable, which is EUR 2.989 in 2019. The minimum wage must be paid out to every employee in an employment relationship.

2. Minimum wage set through collective bargaining agreements

Employees whose remuneration terms are not regulated in a collective agreement are eligible to receive at least the minimum wage.

Sector wide, so called higher level collective bargaining agreements can be accessed on the webpage of the Ministry of Labor of the Slovak Republic via the following link (in Slovak only):

<https://www.employment.gov.sk/sk/praca-zamestnanost/vztah-zamestnanca-zamestnavateľa/kolektívne-pracovnoprávne-vztahy/kolektívne-zmluvy/>

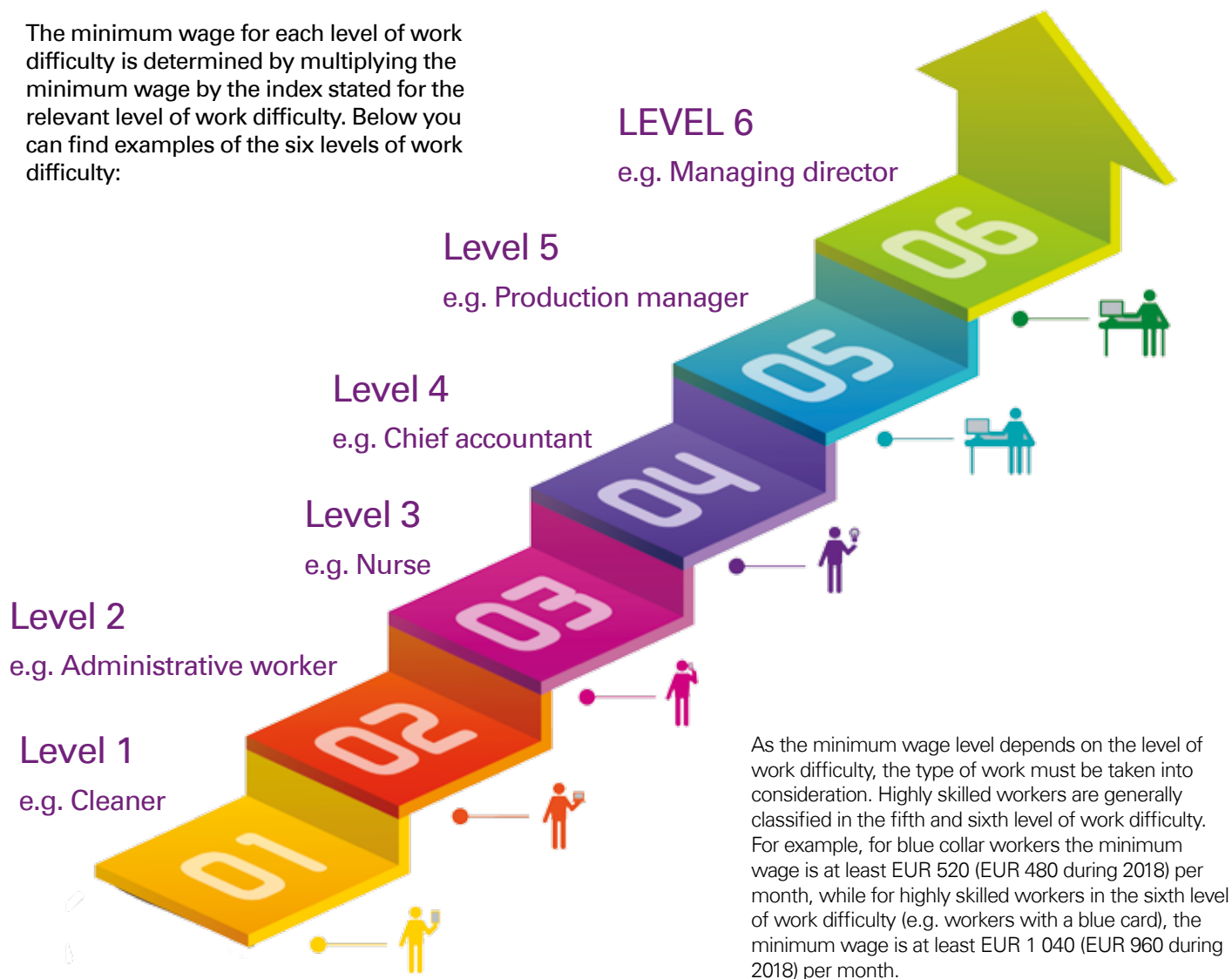
Higher level collective bargaining agreements are concluded between country-wide representative(s) of employees and representative(s) of employers for a specific sector or sectors. These collective

agreements should guarantee more favorable or comparable rights of employees than the statutory minimum set out in the Labor Code. Additionally, there are also collective bargaining agreements concluded between the employers and trade unions, which apply only to the specific company.

Minimum wages, however, do not apply to certain categories, e.g. public servants, civil servants, members of the armed forces, customs officers, fire fighters, judges, and prosecutors.

The level of the minimum wage does not depend on the occupation, but on the type of work (i.e. complexity, responsibility and level of work difficulty). Each position must be classified in one of the six levels of work difficulty.

The minimum wage for each level of work difficulty is determined by multiplying the minimum wage by the index stated for the relevant level of work difficulty. Below you can find examples of the six levels of work difficulty:



3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Paid Holiday	Housing Transportation costs Discharge benefit Contributions from a social fund Contributions to an employee's life insurance Compensation for work standby and other

4. Legal hours

In general, the maximum legal working time in Slovakia is 8 hours per day or 40 hours per week. Special rules apply for working hours of youth workers

(under 18 years old), workers performing work in a high cancer risk environment and healthcare workers.

5. Implementation of Enforcement Directive 2014/67/EU

Directive 2014/67/EU of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on Administrative Cooperation Through the Internal Market Information System (hereinafter the "Enforcement Directive") was transposed into Slovak legislation by:

- Act No 351/2015 Coll. on Cross Border Cooperation Concerning the Posting of Workers in the Framework of the Provision of Services as amended (hereinafter the "Act") effective as of 18. June 2016.
- The Amendment of the Slovak Labor Code (hereinafter the "Labor Code") and
- The Amendments of other legislation regulating the labour market, in particularly the Act on Illegal Work or the Act on the Slovak Labor Inspectorate, etc.

6. Registration requirements

The notification obligation of the Assigning Employer should be fulfilled on the first day of assignment, at the latest.

It can be submitted electronically (via <https://www.nip.gov.sk/?lang=en&form>) or in hardcopies.

Apart from the notification requirement, the

assignment must be notified to the appropriate Labor Office through delivery of the Information Card by the recipient of services. The posted worker should also comply with residence obligations (Notification of stay and registration of residence, if applicable) to the Slovak Foreign Police. However, the extent of these obligations depends on the length of the assignment.

7. Penalties for non-compliance

Penalties for employers for breaching the obligations related to the Labor Office and the National Labor Inspectorate can be up to EUR 200 000.

Penalties for foreigners for breaching the obligations related to the Foreigners' Police can be as follows:

- Financial penalty up to EUR 1 600; and/or
- Penalty of administrative expulsion.

8. Public sources of information

Ministry of Labor, Social Affairs and Family <https://www.employment.gov.sk/en/>

Central Office of Labor, Social Affairs and Family <https://www.upsvr.gov.sk/>

National Labor Inspectorate <https://www.ip.gov.sk/home/>

Ministry of Interior of the Slovak Republic <http://www.minv.sk/?residence-of-an-foreigner>





For non-compliance with the minimum wage requirements, the general penalty is between EUR 3,000 and 20,000. For employers with 10 or fewer employees, the penalty is between EUR 1,500 and EUR 8,000. A penalty between EUR 1,000 and EUR 2,000 is also applicable to the individual that represents the employer, who is responsible for the non-compliance.

Slovenia

1. Minimum wage at national level

Slovenia has a minimum wage requirement and the level is generally updated every year in January. As from January 2019 the level of the minimum wage has been set at EUR 886,63 and it is the same, irrespective of the individual's professional expertise (e.g. blue collar workers, highly skilled workers or others), for work performed between 1 January and

31 December 2019. The minimum wage for work performed in the period between 1 January until 31 December 2020 will be EUR 940,58.

The minimum wage is determined as a fixed amount and is based on economic factors, such as growth of retail prices, change in salaries, economic growth and changes in employment.

2. Minimum wage set through collective bargaining agreements

The law sets the minimum wage. However, collective bargaining agreements determine the minimum

wage for the lowest ranked positions.

3. What can be included in the minimum wage

The minimum wage requirement covers the following remuneration components:

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Supplements for night work, for work on Sundays, for work on public holidays and work-free days determined by law, or for overtime work
Bonuses	Holiday allowance, severance payments, jubilee awards
Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of living allowance)	Transportation costs i.e. commuting expenses for travel to and from work Meal costs Housing Business trip expenses Per-diems

From 1 January 2020 the following supplements will be excluded from the minimum wage: supplements according to the law and other regulations and

collective agreements, and performance related bonuses (whether based on individual or company performance).



4. Legal hours

The maximum legal working time in Slovenia is 8 hours per day or 40 hours per week.

5. Implementation of Enforcement Directive 2014/67/EU

Directive 96/71/EC has already been implemented into the current legislation, through the Employment, Self-employment and Work of Aliens Act, Employment Relationship Act, Private International Law and Procedure Act, and Employment and Insurance Against Unemployment Act.

Directive 2014/67/EU was implemented into national legislation on 1 January 2018 through the Posting of Workers Act which also includes Directive 96/71/EC.

6. Registration requirements

The home employer must notify the posting to the labor authorities (National Employment office) in the host country before commencing the work (at least

one day earlier). The home employer should appoint a representative in the host country to be in contact with the authorities.

7. Penalties for non-compliance

For non-compliance with the minimum wage requirements, the general penalty is between EUR 3,000 and 20,000. For employers with 10 or fewer employees, the penalty is between EUR 1,500 and EUR 8,000. A penalty between EUR 1,000 and EUR 2,000 is also applicable to the individual that represents the employer, who is responsible for the non-compliance.

If a home employer does not comply with the registration requirement, the penalty is between EUR 2,000 and 20,000 (also if the service is not performed according to the service registered or if the employer does not keep documentation or if this is not provided to the supervisory authority).

8. Public sources of information

Information about collective bargaining agreements and/or other industry specific agreements can be found on the Ministry of Labour, Family, Social Affairs and Equal Opportunities web page as well as on the web page of the Association of Employers of Slovenia.

Public information sources on the obligations of foreign entities assigning personnel to Slovenia can be found on the Financial Administration of the Republic of Slovenia web page or on the Health Insurance Institute of Slovenia web page.



Spain

The minimum wage set by the government and the collective bargaining agreements may include only the basic working hours in a month and thus assignment related allowances such as cost of living allowance, foreign service premiums, and per diems are not considered part of the minimum wage.

1. Minimum wage at national level

There is a minimum wage requirement in Spain, which is set by the government. For 2019, the minimum wage is EUR 900.00/month.

The minimum wage set by the government is applicable as from 1 January and it is updated every year. It is a fixed amount.

The minimum wage does not depend on the occupation, industry or the age of the employee, it is set depending on the agreement between the government, the most representative unions and the management. The minimum wage does not distinguish between blue collar, highly skilled or other type of workers, as it is a fixed amount.

2. Minimum wage set through collective bargaining agreements

Collective bargaining agreements (national, regional or sectional), usually set another minimum wage requirement, depending on the activity or professional category, which is always higher than the one set by the government.

Collective bargaining agreements set the minimum wage for a fixed period of time as well, generally for one year. Collective bargaining agreements can determine other remuneration systems. Generally, collective bargaining agreements set a fixed amount

and, in addition, set out other amounts that depend on productivity, seniority, etc.

The minimum wage set by collective bargaining agreements can be based on other criteria such as occupation or position in the company, as it depends on the sector.

Collective bargaining agreements usually set a level of minimum wage depending on the category of the employee.

3. What can be included in the minimum wage

The minimum wage requirement covers the following remuneration components:

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage Overtime payments	Per-diems Housing Transportation costs Meal costs
Overtime payments	Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance)

4. Legal hours

The Spanish Workers Statute establishes a maximum of 9h per day and 40h per week. However, the duration of the working day or week, may be

different, depending on the applicable collective bargaining agreement.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive was transposed by Spain by means of Royal Decree-Law 9/2017 and its

application norms dated 27 May 2017.

6. Registration requirements

The employer is required to communicate the posting electronically to the corresponding authority according to the area of the country where the services are

provided. This communication must be made by the Spanish company in Spain, before the displacement is effective.

7. Penalties for non-compliance

According to the provisions of the Royal Decree-Law, compliance is enforced by the inspectorate of Work and Social Security. Breaches are penalized according to the Act of Criminal Offenses against the Social Order and Penalties as follows:

Serious offenses: (fines of between € 626 and € 6,250):

- The presentation of the communication of the posting after the effective date or without designating the company's representative who will serve as a contact with the appropriate Spanish authorities, or a person who can act in Spain, to provide information and consultation for employees and negotiations on behalf of posted employees in Spain.
- Failure to hold the posting documentation according to Spanish legal provisions

- Failure to inform the labor authorities on time or in the correct format of serious accidents which result in death or injury.
- Failure to present the documentation required by the Inspectorate of Work and Social Security or to present any document without a translation.

Very serious offenses: (fines of between € 6,251 and € 187,515):

- Lack of a posting communication
- Falsehood or concealment of posting data

The level of the fines is based on different criteria (number of employees affected, whether it is a repeat offense etc).

A liaison person/ representative in relations with the relevant labor authorities may act with a power of attorney issued by a notary.

8. Public sources of information

<http://www.seg-social.es/wps/portal/wss/internet/InformacionUtil/32078/32253/1437/1440>



The home country employer must notify the Swedish Work Environment Authority no later than five days after the assignment has begun.



Sweden

1. Minimum wage at national level

Sweden does not have a minimum wage requirement for EU nationals.

2. Minimum wage set through collective bargaining agreements

No minimum wages

3. What can be included in the minimum wage

Not applicable

4. Legal hours

The legal working hours are 8 hours per day or 40 hours per week. Overtime and standby time may be allowed within certain limits.

5. Implementation of Enforcement Directive 2014/67/EU

Directive 67/2014/EU was implemented in Sweden on 1 June 2017 as part of legislation on posting of workers.

6. Registration requirements

The home country employer must notify the Swedish Work Environment Authority no later than five days after the assignment has begun. The notification should include certain specific information such as

both the home and the host employer as well as a contact person for the employer.

The notification can be filed online, on the Swedish Work Environment Authority's website.

7. Penalties for non-compliance

Penalties starting from SEK 20,000 may be levied in the case of non-compliance with the notification requirements.

8. Public sources of information

More information, in English: <https://www.av.se/en/>





The minimum wage is determined either based on the provisions of potentially applicable collective labour scheme(s) or in the case of assignees for whom no collective labour scheme applies, individually on a case by case basis.

Switzerland

1. Minimum wage at national level

Switzerland does not have a minimum wage set at national level.

2. Minimum wage set through collective bargaining agreements

However, minimum wage requirements are set out for specific industries in hundreds of collective labor schemes (some of which mandatorily apply to all employees working in Switzerland whether or not the employer or its Swiss host group company is a party to the scheme).

Apart from the above and regardless of the type of industry and work performed in Switzerland, the following applies without exception: Employees who are employed outside Switzerland and are supposed to work in Switzerland as assignees must be paid a salary for the time in Switzerland which is in line with the customs in the relevant Swiss canton, industry and profession (so-called Swiss reference salary). In this respect, the Swiss immigration authorities always check on the salary requirements when processing a work permit application.

In addition, in the event of labor inspections in Switzerland on site, the employer may be required to provide evidence to the authorities that the salary (plus expenses) outlined in the work permit application and supporting documents is actually being paid (by providing pay slips, records of expense compensation payment, etc.).

All 26 Swiss cantons apply their own standard salary levels, meaning that when determining a relevant reference salary every case is analyzed individually. All cantons, however, base their assessment on their statistical reference salaries for comparable Swiss employees in their geographical area. This means that for all sorts of activities and groups of employees they apply a statistical reference salary range and usually request the assigning employer to pay the average of the statistical salary range to the employee.

If a salary turns out not to be sufficient during the work application process, time consuming negotiations with the authorities on the adjustment payments and drafting and signing of new supporting documents are required.

The minimum wage is determined either (i) based on the provisions of potentially applicable collective labor scheme(s) or (ii) in the case of assignees for whom no collective labor scheme applies, individually on a case by case basis.

For assignees for whom no collective labor scheme applies, the following main criteria must be taken into consideration:

- Specific role/activities/ responsibilities when working in Switzerland;
- Age.
- Job grade.
- Overall level of occupation (e.g. 50%, 80%, 100%).
- Weekly hours of work as per employment/ assignment contract.
- Qualification level (highest educational and professional certificate).
- Overall professional experience.
- Service for the applying employer.
- Number of employees employed by the Swiss group entity.
- Work location, since the reference salary differs from canton to canton.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Overtime payments	Housing
Bonuses may only be included in the minimum wage, if it is a fixed amount that is guaranteed / a non-variable part of the salary.	Transportation costs
Special payments (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance)	Meal costs

4. Legal hours

In Switzerland, the maximum legal working hours per day/week depends on the specific activity and industry.

5. Implementation of Enforcement Directive 2014/67/EU

The Enforcement Directive 2014/67/EU is not applicable in Switzerland.

6. Registration requirements

In terms of administrative obligations, at least an online notification or even a formal application is required to be submitted to the local authorities (depending on the location of the home company,

nationality of the assignee, the duration of the assignment and the total duration of all assignments of the same employer to Switzerland in the current calendar year).

7. Penalties for non-compliance

All 26 cantons apply different processes to the different permit types. In the case of non-compliance with the above requirements the employer may be liable to the following:

- Subsequent payment of the salary gap claimed.
- Obligation to pay the cost of enforcement proceedings.
- Administrative penalties (fines up to CHF 30,000, exclusion from the Swiss market for one to five years, payment of inspection costs by offending employers).
- Criminal penalties (fines up to CHF 1,000,000, seizure of assets such as unlawful earnings).
- Penalties set out in the generally applicable collective employment contract.

8. Public sources of information

Please find links on Collective Labor Agreements in Switzerland:

https://www.seco.admin.ch/seco/de/home/Arbeit/Personenfreizugigkeit_Arbeitsbeziehungen/Gesamtarbeitsvertraege_Normalarbeitsvertraege/Gesamtarbeitsvertraege_Bund/Allgemeinverbindlich_erklaerte_Gesamtarbeitsvertraege.html

https://www.seco.admin.ch/seco/de/home/Arbeit/Personenfreizugigkeit_Arbeitsbeziehungen/Gesamtarbeitsvertraege_Normalarbeitsvertraege/Gesamtarbeitsvertraege_Kantone.html





The level of the minimum wage is determined based on the age of the worker and whether the individual is employed as an apprentice.

The United Kingdom

1. Minimum wage at national level

The United Kingdom has a National Minimum Wage ('NMW'). Historically, NMW rates used to change annually on 1 October. However, in April 2016, the Government also introduced the National Living Wage ('NLW'). From April 2017 onwards, NLW and NMW rates are now reviewed and increased at the same time.

The NMW rate per hour depends on age and whether the employee is an apprentice (see table below). Currently, the NMW is £ 7.38 per hour for workers aged 21 to 24 and will be raised to £7.70 as from 1 April 2019.

Since 6 April 2016, a mandatory NLW has applied to workers aged 25 and over. This rate of pay was introduced through an amendment to the NMW Regulations to ensure that the rules that apply to the NMW rates for workers aged under 25 also apply to workers entitled to the NLW. All employers must pay employees aged 25 and over, £7.83 per hour (£8.21 from 1 April 2019). The NMW will still apply for workers aged 24 and under.

The NLW operates in conjunction with the existing NMW Regulations.

The minimum wage in the UK is determined as an hourly rate.

For NMW purposes, the pay allocated to a pay reference period in the UK is any pay which is:

- Received during that period,
- Earned in that period but not received until the next pay reference period.

The pay in the period will consist of the total eligible earnings for NMW purposes and it is not limited to the hourly rate received by the individual.

The NMW is calculated by dividing pay by the number of actual hours worked in the relevant pay reference period.

The legislation in relation to the NMW is extremely complex. The calculation of the NMW may be further affected by the type of worker being paid (as determined by their contract of employment e.g. hourly paid or salaried worker), the working practices in operation and how working time is identified and captured for payroll purposes.

The level of the minimum wage is determined based on the age of the worker and whether the individual is employed as an apprentice.

Year 2019	Apprentice	Under 18	18 -20	21 to 24	NLW 25 and over
April 2018 (current rate) wage	£3.70	£4.20	£5.90	£7.38	£7.83
Rate from April 2019	£3.90	£4.35	£6.15	£7.70	£8.21

Apprentices are entitled to the apprentice rate if they are either:

- Under 19
- 19 and above and in the first year of their apprenticeship

Apprentices aged 19 or above who have completed the first year of their apprenticeship are entitled to the minimum wage rate for their age.

Work experience – refers to a specified period of time that a person spends in a business, during which they have an opportunity to learn directly about working life and the working environment. The nature and arrangements for work experience vary and an individual's entitlement to the National Minimum

Wage will depend on whether the work experience offered makes the individual a worker for National Minimum Wage purposes.

Cases which are not eligible for the minimum wage:

- Government training schemes or European Union Programmes: if a person is doing work experience in a government scheme to provide training, work experience or temporary work.
- Work experience as part of an education course – a person doing work experience which is a requirement of a higher or further education course for less than one year is not eligible for the minimum wage.
- Volunteers.

2. Minimum wage set through collective bargaining agreements

Collective bargaining agreements are rare in the UK except in the public sector. Consequently, most employers will be unaffected by collective bargaining

agreements. Where they do exist, collective bargaining agreements are generally agreed on an employer by employer basis.

3. What can be included in the minimum wage

Included in the minimum wage	Not included in the minimum wage
Basic salary/basic wage	Per-diems
Overtime payments	Benefits in kind (other than provision of accommodation in some cases)
Bonuses	Travelling expenses Allowances which are not consolidated into the worker's standard pay (Foreign Service premium, Hardship premium, Country allowance, Assignment allowance, Cost of Living allowance, meal allowances) Advances of wages Tips and gratuities

**please note these are for example only and are not exhaustive lists*

4. Legal hours

In general, workers cannot be made to work more than 48 hours per week on average or more than 6 hours without a rest break. In most cases, workers are also entitled to an 11 hour gap between shifts.

In the UK, workers can consent to opt out of the 48 hour maximum working week and if they do so, may work more than 48 hours in a week. An employee can withdraw their consent to opt out at any time by giving notice to their employer. The required notice period cannot be longer than 3 months.

5. Implementation of Enforcement Directive 2014/67/EU

The Posted Workers Directive (2014/67/EU) (“Directive”) requires member states to ensure that workers who are posted from one member state to another are entitled to the same minimum rights that are available to workers in the host member state.

The UK government made only minor changes to existing legislation to implement the Directive in the UK, because most existing legislation relevant to the Directive already applied to all employees or workers whether working permanently or temporarily in the UK. UK legislation includes (amongst others) the Health and Safety at Work Act 1974, the Working Time Regulations 1998, the National Minimum Wage Act 1998, the Employment Agencies Act 1973, and further legislation governing youth employment.

In the UK, the Directive has been implemented by the Posted Workers (Enforcement of Employment Rights) Regulation 2016 (SI 2016/539) (“PWR”) but this only deals with specific provisions relating to construction workers.

If the UK leaves the EU, the Directive will no longer apply to the UK. Consequently, workers posted between the UK and EU countries would no longer be affected by the Directive and national rules relating to the rights of workers posted to a particular country would apply.

For workers posted to the UK, this would not mean any real change for employers, because the UK has not implemented any labor registration requirements for posted workers and the existing UK legislation would continue to apply in the same way to all posted workers, whether from the EU or not.

6. Registration requirements

There are no labor registration requirements in the UK. Workers will still be required to be registered with the tax authorities and (if applicable) the immigration authorities.

As there are no existing labor registration requirements, this would not be impacted by Brexit.

However if Brexit happens, it may mean that more workers from the EU would be required to register with immigration authorities. The form that this registration would take is unclear as the new immigration system has not yet been finalized, and uncertainty over Brexit persists.

7. Penalties for non-compliance

In the case of non-compliance with the minimum wage requirements the employer may be required to:

- Repay arrears of the minimum wage to each worker named on the notice
- Pay a fine

The government has announced a package of measures to improve compliance and strengthen the enforcement of the minimum wage. This includes increasing financial penalties for non-compliance from 100% to 200% of the arrears employers owe, setting

up a dedicated team in HMRC focused on tackling the most serious cases of non-compliance, and further increasing HMRC’s enforcement budget.

The NMW Naming Scheme came into effect on 1 January 2011, the objective being to raise awareness of minimum wage enforcement and deter employers who would otherwise be tempted to break the minimum wage law. The relevant government department publishes a list identifying those businesses that have underpaid workers which often receives much press attention.

8. Public sources of information

Please see this link for further information about NMW and NLW rates:
<https://www.gov.uk/national-minimum-wage-rates>





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