WRITTEN QUESTION P-3403/09 by Herbert Bösch (PSE) to the Commission

Subject: Problems concerning the provision of services in Switzerland by firms from EU Member States

On 1 June 2002 a number of bilateral agreements concerning the freedom of movement of persons between Switzerland and the European Union entered into force. These agreements open up the Swiss market to service providers from EU Member States and the EU markets to Swiss service providers. In order to protect Swiss workers and workers posted from EU Member States, Swiss law provides that Swiss pay and social standards must be respected. This is specifically welcomed by the author of this question; however, practical implementation poses a number of problems, which make the provision of services unnecessarily complicated. For instance, it is extremely difficult for a foreign service provider to establish which collectively agreed minimum wage applies in a given branch in the canton where the services are to be provided. The resultant legal uncertainty and lack of transparency hamper the provision of services. Greater transparency and increased coordination are in the interests of both Swiss firms and workers and foreign firms and workers working in Switzerland. For this reason, foreign firms wishing to work in Switzerland should have a clear understanding of the labour laws and collective agreements obtaining in Switzerland before becoming established in that country.

Basically, entrepreneurs from border areas complain that there are very substantial differences in the interpretation of laws between the individual cantons. This also applies to the obligation - provided for in the Swiss law on the posting of workers - for service providers to register with the authorities eight days before beginning work, which creates problems for foreign firms.

The Swiss State Secretariat for Economic Affairs (SECO) is endeavouring to increase transparency and simplify procedures for foreign service providers within the framework of the tri-national working party for the facilitation of the implementation of the law on posting.

In view of the above, does the Commission envisage any means to help ensure that the advantages offered by the free movement of services with Switzerland can in practice be used to better effect in future?

782694.EN PE 425.988