

Quality Jobs Act
2nd stage consultation of social partners
HOTREC Position Paper

Executive Summary

- HOTREC supports the promotion of **quality jobs and good working conditions**, while ensuring the competitiveness of Europe's hospitality sector.
- HOTREC opposes a **new overarching EU Directive** on quality jobs and argues that priority should be given to the effective implementation and enforcement of existing EU and national legislation.
- On subcontracting, HOTREC **rejects the general classification of high-risk sectors** and, in particular, the **inclusion of hospitality as a high-risk sector**. It opposes additional **EU liability schemes**, favouring risk-based enforcement and targeted action against non-compliance.
- On **occupational safety and health**, HOTREC supports targeted updates, practical guidance and proportionate measures, while avoiding unnecessary burdens on SMEs.
- On **psychosocial risks and climate-related workplace challenges**, as well as **AI and algorithmic management**, HOTREC favours existing frameworks, national solutions and social dialogue rather than new legislative obligations.
- HOTREC supports **skills development, upskilling and reskilling** linked to the green and digital transitions, but opposes new EU legal obligations, **including a general EU right to training**.
- HOTREC considers that **labour inspections should remain a national competence** and supports strengthening social dialogue, cooperation and capacity building.

Overall, HOTREC's key message is that quality jobs should be promoted through better enforcement of existing rules, social dialogue and practical support measures, rather than through new EU-wide legislation.

Introduction

HOTREC represents the hospitality industry in Europe, bringing together 47 national associations in 36 European countries. The sector comprises around 2 million businesses, of which around 90% are micro-enterprises and 99% are SMEs, employing approximately 10 million people.

HOTREC supports the European Commission's objective of promoting quality jobs, improving working conditions and ensuring safe and healthy workplaces, while strengthening the competitiveness and resilience of European businesses. **Quality jobs and competitive enterprises are mutually reinforcing.**

Nevertheless, HOTREC **does not support** the adoption of a **single binding Directive covering the broad range of issues** addressed in the Commission consultation. The proposed topics concern distinct areas of labour law, occupational safety and health, artificial intelligence, subcontracting and social dialogue, each of which is already governed to varying degrees by existing EU legislation and national frameworks. Bringing these diverse issues together within a single legislative instrument would risk creating **legal uncertainty, overlap** with the existing acquis and additional **administrative burdens**, particularly for SMEs.

In HOTREC's view, priority should be given to the **effective implementation and enforcement of the existing EU legislative framework, supported by guidance, capacity building, social dialogue and targeted non-legislative measures**. Additional legislative action should only be considered where a clear **legislative gap** has been demonstrated and where it respects the principles of subsidiarity, proportionality and Better Regulation.

A - Protection of workers' rights in subcontracting chains

A.1 - High-risk sectors

HOTREC welcomes the fact that the Commission recognises that subcontracting is a **legitimate and important business model** that enables companies to access **specialised expertise, respond to seasonal demand and remain competitive**.

HOTREC does not support the classification of **entire sectors as "high-risk" for the purposes of additional regulatory obligations**. Risks of labour exploitation and non-compliance should be assessed on the basis of **concrete evidence relating to specific activities, business models or operators**, rather than broad sectoral classifications. A sector-wide approach risks creating **unjustified inconsistencies** between sectors, disproportionately affecting compliant businesses and generating legal uncertainty. It would undermine competitiveness, SMEs contractual freedom and established national industrial relations systems.

Above all, we do not consider **hospitality to be a high-risk sector**. The reasons are the following:

- Subcontracting in hospitality generally involves **direct contractual relationships** rather than long and complex chains of subcontractors;
- The sector relies relatively little on posted workers (around 1.2% of the workforce¹);
- The vast majority of businesses are SMEs and micro-enterprises, meaning subcontracting arrangements are generally straightforward and locally managed;
- National legal frameworks already regulate subcontracting and liability effectively.

Hospitality is inherently a **labour-intensive sector** providing services directly to consumers, often on a continuous basis throughout the day and across the year. These operational characteristics should not, in themselves, justify the classification of the sector as presenting a higher regulatory risk.

Despite the fact that 99% of hospitality businesses are SMEs and 90% are micro-enterprises, HOTREC members consistently report that existing national subcontracting frameworks function effectively and already reflect national labour law, industrial relations systems and collective bargaining traditions.

Where abuses occur, they are primarily linked to **fraudulent practices or undeclared work**. The priority should therefore be the **effective enforcement of existing EU and national legislation** rather than the creation of additional EU liability regimes.

HOTREC supports **risk-based enforcement activities** and effective labour inspections **targeted at operators** where there are objective indications of non-compliance with labour legislation, irrespective of the industrial relations system in place. However, this should not result in the prior classification of entire sectors or activities as inherently high-risk. Measures to guide subcontractors in improving the **visibility of subcontracting** chains are welcome (e.g. registries).

¹ European Labour Authority strategic analysis on: [Accommodation and food service activities: Issues and challenges related to labour mobility](#)", page 40.

Overall, challenges linked to subcontracting should be addressed through **better enforcement of existing rules** (namely Article 12 of the Enforcement Directive 2014/67/EU) or sector-specific solutions rather than through new EU-wide legislative restrictions on subcontracting.

A2. - Liability schemes

HOTREC **does not agree that specific liability schemes are necessary for the hospitality sector**. Specific legislation is already in place at national level.

In [HOTREC's position paper on subcontracting](#), we make reference to several cases at national level, where liability is already well regulated. For example:

- **France:** Wages and social contributions: The subcontractor is the employer and primarily responsible. However, if the subcontractor fails to pay and the host company did not conduct required checks or respond to labour inspector alerts, joint and several liability may apply.
- **Italy:** The law ensures joint and several liability rights between the client and direct contractor, protecting workers' rights without unduly burdening unrelated parties.
- **Portugal:** In practice, the service provider (subcontractor) retains full responsibility for labour, tax and social security obligations of its workers, but the contractor (e.g. hotel or restaurant) may be held jointly liable if these obligations are not met, particularly regarding wages and social security.

HOTREC considers that **extending liability to all entities in the subcontracting chain** (client, contractors and subcontractors), regardless of their role, **is disproportionate**. Extending liability beyond direct contractual relationships **risks discouraging legitimate business partnerships, increasing legal uncertainty and shifting responsibility away from the operators directly responsible for compliance²**.

It should be noted that introducing further joint liabilities in subcontracting chains would **increase costs for contractors who take out additional insurance** against potential liabilities arising from the actions of subcontractors over whom they have no direct control.

It is also to note that, according to the European Labour Authority's draft report on subcontracting, **all 19 Member States included in the study have a liability scheme in place**, either covering specific sectors or applying more broadly across the economy.

A3 – Occupational health and safety on subcontracting

With regard to **occupational health and safety on subcontracting**, HOTREC welcomes the proposals put forward by the Commission namely:

- Tasking the advisory **Committee on Safety and Health at Work with further analysis**, recalling existing rules on cooperation, coordination, information and training.
- **Practical guidance** applicable across sectors, while recognising that implementation should remain sufficiently flexible to reflect sector-specific operational realities.
- Consider the appointment of **representatives of social partners** (both employers and workers) for the coordination of the subcontracting activities. Member States to provide sectoral/territorial coordination support mechanisms (e.g. training programmes / model coordination plans).

HOTREC considers that **registration or certification** requirements could be a possibility to take into account, provided they are proportionate, build upon existing national systems and avoid unnecessary administrative

² European Employers Institute legal study on: [“Can the EU restrict subcontracting: a legal perspective”](#).

burdens, particularly for SMEs. Any such systems should build on existing national registers where these already exist, in order to avoid duplication and unnecessary administrative burdens.

Overall, **neither labour-intensive activities nor the legitimate use of subcontracting should, in themselves, be regarded as indicators of a higher risk of labour exploitation.** Any regulatory response should be **evidence-based, proportionate and targeted at proven cases of non-compliance**, rather than assumptions linked to particular sectors or business models.

B - Occupational safety and health at work

B1 – Workplace Directive and Display Screen Equipment Directive

HOTREC agrees with the following avenues for EU action:

- Reflect whether the scope of the [Workplace Directive 89/654/EEC](#) could be extended to cover off-premises workplaces and, in such case, the extent to which it could include telework, while ensuring that employer's responsibilities are proportionate and corresponding to their means of influence over the workplace. Any extension should be carefully limited to situations where telework or work performed away from the employer's premises represents a regular and substantial part of the worker's activity. A distinction should also be made between situations where the employer decides on telework and those where it is at the employee's request. Employer responsibilities should remain proportionate and limited to matters over which the employer can reasonably exercise control³.

Any initiative to further promote or facilitate telework should also take into account its wider indirect economic impact on sectors that depend on people working and spending in local areas, including hospitality. Where people work from home rather than from their usual workplace, **this can reduce demand for restaurants, cafés and other hospitality businesses**, particularly in urban and business areas. This is an important consideration for a sector characterised by **very low profit margins** and a large number of **micro-enterprises**. Any revision or new EU initiative concerning telework should therefore be accompanied by a **robust impact assessment** that considers not only the direct effects on employers and workers, but also the **wider economic effects** on sectors and businesses affected by changes in working patterns.

HOTREC agrees that the annexes to the Workplace Directive should not apply where the worker performs home-based work or telework. For the hospitality sector, most activities are **inherently performed on the employer's premises** or at **the place where the service is delivered to customers**. Telework therefore remains limited to a relatively small number of administrative functions.

- Reflect on enlarging and updating the scope and definitions of the [Display Screen Equipment Directive 90/270/EEC](#). The scope of the Directive should be extended to include laptops and tablets. Obsolete references (e.g. typewriter) should be removed.

³ Employers' responsibility for health and safety is necessarily limited when work is carried out in private homes or other locations outside the employer's premises, where the employer **has no legal right of access or control**. Employers cannot reasonably be expected to assess, adapt or modify structural features, layout, lighting, ventilation, temperature, furniture or conditions of use in premises over which they have no legal control.

HOTREC could support merging the Workplace Directive with the DSE Directive into a single coherent instrument provided that:

- it genuinely simplifies the legislative framework;
- it does not introduce additional employer obligations beyond the existing acquis;
- it remains technology-neutral;
- it avoids unnecessary administrative burdens, particularly for SMEs.

HOTREC supports updating outdated references and terminology to reflect technological developments and current working practices. Any review of the minimum requirements should be evidence-based and proportionate, and should not create additional obligations where the existing risk assessment framework already provides adequate protection.

B2 – Psychosocial risks

With regard to **addressing psychosocial risks**, including sexual harassment, it should be noted that HOTREC has co-signed [guidelines to prevent and tackle third-party violence and harassment related to work](#). In the background of the document it is stated that multisectoral social partners recognise that States have the primary responsibility to tackle domestic violence in accordance with national laws and / or practise and that employers are not responsible for domestic violence. HOTREC does not consider that additional EU legislation would provide added value in this area. Member States already have national legislation in place which reflects national legal systems, sectoral specificities and established industrial relations practices. Existing national legislation, together with collective bargaining where appropriate, already provides tailored solutions (example of the Finnish social partners who developed “*Addressing Harassment in the Hotel, Restaurant, and Leisure Industry*”).

The signatories noted that domestic violence can affect employment, performance, health and safety. Government, employers’ and workers’ organisations and labour market institutions can help address the impact of domestic violence as part of other measures, in accordance with national laws and practices.

B3 – Climate change

HOTREC recognises that **climate change** may increase occupational exposure to heat and adverse weather conditions in certain workplaces. Existing legislation already requires employers to assess occupational risks under [Directive 89/391/EEC](#). The priority should therefore be the effective implementation and enforcement of these existing obligations. The existing obligation to carry out risk assessments under Directive 89/391/EEC **could be clarified to explicitly encompass ergonomic and psychosocial risks**. Rather than introducing additional prescriptive EU requirements, guidance, exchange of good practices and sector-specific solutions would provide greater flexibility while ensuring worker protection.

National legislation and collective bargaining, where appropriate, are **better suited** to address the different realities across Member States and sectors.

C - Just Transitions

The green transition should be implemented in a way that supports both quality jobs and business competitiveness, recognising that these objectives are mutually reinforcing.

HOTREC supports EU funding and accompanying measures to facilitate skills development, upskilling and reskilling, helping companies and workers anticipate change and support workers at risk of job loss in the

context of the green and digital transitions. Particular attention should be given to SMEs, which often face greater challenges in accessing training and financing⁴.

HOTREC also supports action building on the **2013 voluntary EU Quality Framework for Anticipation of Change and Restructuring**, provided its voluntary nature is maintained. Measures promoting anticipation and management of restructuring processes, peer learning, exchange of best practices, capacity building and social dialogue can contribute positively to managing the twin transition.

However, HOTREC **does not consider that additional EU legislation is necessary in this area**. The **existing legislative framework**, together with **voluntary instruments** and **national practices**, already provides an appropriate basis for supporting restructuring processes. Further legislative action would risk creating **overlaps** with existing legislation, reducing flexibility and limiting the ability of social partners to develop solutions tailored to national, sectoral and company-specific circumstances.

Moreover, we consider that **training is a national competence**. We oppose a general EU right to training. It is up to employers to organise training in response to labour market needs. Moreover, the current EU Treaty **framework does not provide a legal basis for introducing a general binding training obligation for employers**. In particular, Article 166(4) TFEU enables the EU to support and complement Member State action on vocational training, while expressly excluding the harmonisation of national laws in this field. At national level, Member States develop different training systems⁵.

D - Enforcement and role of the social partners

HOTREC considers that collective bargaining can be a powerful tool to improve working conditions, occupational safety and health, and help address labour and skills shortages⁶. However, collective bargaining requires the willingness of both employers and workers' representatives to engage in negotiations, in accordance with national law and practice.

HOTREC supports measures to strengthen the capacity of social partners and to encourage the use of collective bargaining, where appropriate, ensuring that workers and employers have access to clear information on their rights and obligations under the future Quality Jobs Act.

Labour inspections remain a national competence. Any reinforcement of cooperation between national labour inspectorates should respect Member States' competences and be developed with their agreement.

Any possible revision of the European Labour Authority's mandate should fully respect Member States' competences and preserve the voluntary nature of coordinated inspections. The ELA should continue to facilitate cooperation and information exchange between national authorities rather than independently initiating inspections.

Subject to appropriate safeguards regarding data protection, transparency and human oversight, the responsible use of AI could support more risk-based labour inspections. Interconnected registries and improved data exchange between competent national authorities could also contribute to more effective enforcement while reducing administrative burdens.

⁴ HOTREC position paper on: "[Skills and Labour Shortages: a roadmap for action](#)".

⁵ European Employers Institute legal study on: "[The right to training in European Union Law: a legal study on the constitutional limits of EU action under article 166/4 TFEU](#)".

⁶ EFFAT-HOTREC Joint Declaration on: "[How to overcome labour and skills shortages in the hospitality sector](#)".

Overall, HOTREC considers that the effective **implementation and enforcement of the existing EU acquis should remain the priority**. Strengthening cooperation, capacity building and information-sharing can improve compliance without the need to create additional legislative obligations or alter the distribution of competences between the EU and the Member States.

E - Algorithmic management and artificial at work

Algorithmic management (AM) and Artificial Intelligence (AI) can enhance organisational efficiency, support innovation and improve labour productivity. When used responsibly, they can benefit both employers and workers. However, inappropriate use may raise concerns relating to occupational safety and health, excessive surveillance, loss of autonomy, discrimination, and psychosocial risks.

HOTREC supports the effective implementation and enforcement of the existing EU legislative framework, complemented, where appropriate, by interpretative guidance to facilitate compliance and clarify the protection of workers' rights.

The existing EU legislative framework already provides comprehensive protection in this area, including through the [General Data Protection Regulation](#) (GDPR), [the AI Act](#), the [Framework Directive on Safety and Health at Work](#) and the [Platform Work Directive](#). Duplication or overlap with existing legislation should be avoided.

HOTREC considers that the EU can work towards:

- **Simplification:** EU action should focus on improving legal clarity and avoiding unnecessary administrative burdens for employers and workers. In particular, overlaps between Chapter III of the Platform Work Directive, the [GDPR Regulation](#) and the [AI Act](#) should be avoided.
- **Proportionality:** EU action should prioritise **practical guidance** on the application of existing legislation in algorithmically managed workplaces, thereby improving legal certainty while avoiding unnecessary new regulatory obligations.
- **Social dialogue and collective governance:** EU action could support capacity building, facilitate the exchange of good practices, promote digital skills and AI literacy, and strengthen social dialogue where social partners are willing to engage.

HOTREC considers that the **effective implementation and enforcement of the existing EU acquis** should remain the primary objective. Member States should continue to play the central role in labour inspections and enforcement, while respecting the principles of subsidiarity and proportionality.

Exceptionally, HOTREC could **support targeted adaptations to the occupational safety and health legislative framework** to reflect technological developments and evolving workplace characteristics, provided these remain evidence-based, proportionate and do not introduce unnecessary new obligations for employers.