

Amt für Wirtschaft und Arbeit

- > Arbeitsbeziehungen
- Rechtsberatung Flankierende Massnahmen (FlaM)

EXHIBITION STAND CONSTRUCTION IN THE CANTON BASEL-STADT

1. Notification procedure

EU/EFTA nationals who provide services on a self-employed basis and employees posted to Switzerland from one of the EU/EFTA member states need neither a residence nor a work permit for services of up to 90 working days per calendar year. However, they have the duty to notify via the notification procedure.

Notifications regarding posted workers and self-employed persons from abroad should be made no later than eight days before the beginning of the assignment.

As exhibition stand construction is part of the construction and secondary contract work industry, these activities are subject to notification as of the first day of provision of services. This applies regardless of whether the work is subject to a generally binding collective employment contract (CEC/GAV) or not.

2. Postings to Switzerland

In Switzerland, no specific generally binding collective employment contract (CEC) exists for exhibition stand constructors.

However, if your company only carries out specific tasks at an exhibition stand, e.g. exclusively electrical work or carpentry work, a specific collective employment contract may apply to the work you carry out in Switzerland. Please clarify on <u>Posting - Welcome to posting.admin.ch</u>, icon "CEC" for your area of activity whether a Swiss CEC (e.g. carpenters, gypsum, finishing construction industry, etc.) is applicable to your company. Should this be the case, you can find the compulsory salary rates you must pay to your employees on the same site under the heading "calculate a wage". There is a supervisory body, the so-called parity commissions (PK), for every CEC that has been declared generally binding. These commissions or a supervisory association commissioned by them check compliance with the provisions of the CEC, in particular with regard to wages. The responsible PK and their contact details can be found on the above-mentioned website.

Should your company not be subject to any CEC, e.g. because mixed activities from different sectors are carried out during exhibition stand construction, the salary rates of the CEC for the carpentry trade apply. According to the decision of the Tripartite Commission of the Canton of Basel-Stadt (TPK) these rates are considered as standard local and sector wage conditions.

The salary rates applicable to you must be strictly adhered to during deployments in Switzerland. Furthermore, the working hours of each individual employee must be recorded. Moreover you have to pay the additional labour costs which are provided in the CEC (such as working hours in the evening, during the night, on a Saturday, on a Sunday, expenses for meals and accommodation).

Compliance with the employment and salary regulations will be monitored. In cases of violation or refusal to provide information, fines of up to CHF 30,000 or prohibition to provide services for one

up to five years may be issued. Moreover, the parity commissions (PK) may impose contractual penalties and monitoring fees.

Detailed information on working and wage conditions can be found on the site <u>Posting - Welcome</u> to posting.admin.ch.

3. Self-employed exhibition stand constructors

In view of the increased efforts in combatting fraudulent self-employment in Switzerland, strict controls of self-employed persons and the obligation to provide documentation will be carried out. We would therefore like to draw your attention to the following points:

3.1 Obligation for self-employed service providers to provide documentation¹

If a check is carried out at your place of work (e.g. Messe Basel), you must be able to provide the following documents:

- A copy of the declaration provided for in Article 6 of the Swiss Federal Law on Foreign Workers Deployed in Switzerland or the authorization issued as a self-employed person
- Certificate pursuant to EC regulation 987/2009 (A1 form)
- Contract (or confirmation in writing) with your employer/contractor including the key elements of the agreed activity. The contract or written affirmation of a contract must be provided in German, French, English or Italian.

In the event of a violation of the obligation to provide documentation, a **stop-work order** may be imposed and you will be instructed to leave the site. Furthermore, fines of up to CHF 5,000 or a prohibition to provide services for one up to five years may be issued.

3.2 General information on proof of self-employed status in Switzerland²

Please refer for further information to the SECO directive "<u>Procedure for checking the self-em-ployed status of foreign service providers</u>" (available in French, German and Italian).

It is important to know that, when checking the status of a foreign service provider, the **de facto work situation in Switzerland will be verified** and not the status a person holds in its country of domicile.

If your self-employed status cannot be proven, a salary inspection process will be initiated with the employer (client or customer), and you will be classified as an employee (so-called bogus self-employment). In the event of a violation of the minimum salary provisions or refusal to provide information, a fine of up to CHF 30,000 or prohibition to provide services for one up to five years may be imposed on the employer (client or customer).

The following additional documents could be used as possible proof of your self-employed status:

- Confirmation from the financial authority in your country of domicile that you have a VAT registration number;
- Certificate of insurances (e.g. third-party liability insurance, accident insurance, loss of in-come insurance or similar);
- A list of other/previous employers (clients or customers), if possible including a copy of any invoices;

<u>1 Art. 1a Abs. 2 Bundesgesetz über die flankierenden Massnahmen bei entsandten Arbeitnehmerinnen und Arbeitnehmern und über die Kontrolle der in Normalarbeitsverträgen vorgesehenen Mindestlöhne (Entsendegesetz, EntsG).</u> ² Art. 1a Abs. 1 und 4 EntsG.

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- Statements showing expenses you have paid (accommodation, meals, travel costs);
- Business registration, registration in your country of domicile, website, advertising material;
- Receipts relating to rented commercial premises, own company vehicles, etc.

3.3 Daily allowance

Experience in recent years has shown that the inspection bodies were generally unable to conclusively assess on site whether the activity is to be classified as self-employment on the basis of the documents mentioned under point 3.2.

To simplify the controls, the Tripartite Commission of the Canton of Basel-Stadt (TPK) declared daily allowances as typical salaries for the region and industry by decision of November 3, 2017. If you may prove that your contractor is paying you a daily rate for assembler of CHF 560 (ex-VAT at the settlement location) respectively a daily rate for auxiliary assembler of CHF 510 (ex-VAT at the settlement location), you are not thoroughly controlled (as provided in the SECO directive, point 3.2). The payments made by the contractor to you will be checked on a random basis. The said daily allowance includes a share for expenses (board and lodging) of CHF 121 per day. You will find a sample receipt for the daily allowance in the appendix to this information sheet.

Further information is available at:

<u>https://www.seco.admin.ch/seco/de/home/Arbeit/Personenfreizugigkeit</u> <u>Arbeitsbezi-ehungen/schwarzarbeit.html</u> (available in French, German and Italian) <u>Posting - Welcome to posting.admin.ch</u>

Contact:

Canton of Basel-Stadt Office of Economy and Labour (AWA) Legal Advice Phone: 061 267 88 09

Appendix

Confirmation of daily allowance for Exhibition		
This is to confirm that		
Last name:		Date of birth:
First name:		
□ Assembler □ Auxiliary assem	nbler	
will work for number of days at the exhibition mentioned above		
on behalf of the customer or client		
Name:		
Address:		
who works for the following exhibitor at the exhibition mentioned:		
and will receive the following daily amount	t for each day:	
		he settlement location) he settlement location)
The daily allowance includes a share for e	expenses (board and lo	odging) of CHF 121 per day.
Place, date: Contr	actor's signature:	
The customer or client confirms to pay the	e contractor the daily ra	ite:
Place, date: Custo	omer's or client's signa	ture:

Notice: The payments made by the customer or client to the contractor may be checked on a random basis.