

## PRESS RELEASE of January 28, 2015

## New minimum wage in Germany poses a threat to the Polish exhibition sector

The imposition of the German labour law on other countries raises a resolute protest of the entrepreneurs of the exhibition industry in Poland. Polish Chamber of Exhibition Industry has already issued a call through open letters to the Prime Minister Ewa Kopacz and to the Ministers of the Economy, Infrastructure and Development, Labour and Social Affairs, and of Foreign Affairs.

PCEI, the only national organisation associating exhibition sector companies, expressed the indignation about the application of new regulations concerning minimum wage in Germany (amounting to € 8.5 per hour) to Polish enterprises which render services in the territory of Germany, as well as about the fact that inasmuch as German authorities had notified foreign associations of carriers about the application of the requirement of minimum wage to foreign drivers, no one had informed foreign organisations of the exhibition industry about the consequences of the new regulations for the employees of that sector.

In an extensive manner PCEI described to the authorities the specifics of business activity connected with the services of assembling and dismantling exhibitions stands, which in the context of the new requirements imposed on the companies which render their services in Germany, means not only additional duties and related organisational and bureaucratic difficulties, but also additional costs which are difficult to estimate today.

The wide aspect of specialist trade fairs services covers deliveries of elements of exhibition architecture and stand furnishings, comprehensive graphics and design services, advertising and audio-visual services, plumbing, electrical, lighting, equipment- and furniture-related services, catering and hostesses, which significantly broadens the group of Polish enterprises which render these important pro-export services. Due to the obligation to apply German minimum wage to the employees of Polish companies, the entrepreneurs associated in PCEI estimate negative consequences in the form of increased costs of comprehensive trade fair services connected with executing orders in the territory of Germany, within the rage of 20-30%. This means that the decision of German state authorities will effectively decrease the competitiveness of Polish enterprises and eliminate them from the German, and consequently, even from the European market.

In the correspondence with the Polish state authorities, we draw their attention to the fact that among the companies affected by the consequences of the implementation of the new German Act will also probably be Polish exhibitors who participate in trade fairs and exhibitions in Germany with their own personnel and staff. The costs of their potential participation will grow significantly, which will probably force some of them to withdraw from their plans to participate in events abroad to the detriment of their plans of internationalisation. The ultimate effect will be the slowdown of the development of the Polish export.

The matter in question was the topic of two meetings held in the recent days in the PCEI office with participation of the chapter of stand construction companies, during which the threats have been defined which arise from the new situation, as well as the detailed course of action has been developed to be applied in Germany in relation with rendering services in that country. On January 26, 2015, Members of the Chamber received the relevant guidelines.

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About Polish Chamber of Exhibition Industry

Polish Chamber of Exhibition Industry, founded in 1993, is the only national organization of Polish enterprises leading their business activity in the exhibition industry The members of PCEI belong to all categories of players on the exhibition market. They are especially: trade fair and exhibition organizers, operators of trade fair and conference venues in Poland, providers of trade fair services such as designing construction and furnishing of exhibition stands, transport and forwarding companies, organizers of foreign trade fair participations, foreign trade fair representatives in Poland, as well as advertising and marketing agencies, media companies, enterprises offering catering and accommodation services.

The PCEI mission is: to provide a comprehensive platform of co-operation and exchanging ideas and experiences for the Polish exhibition market players, to serve the Polish exhibition industry as an effective platform for lobbing, to promote participation in exhibitions as an effective part of corporate marketing and communication strategy, to create circumstances for improving the industry quality standards, including reliable and transparent exhibition statistics, to offer trade fair marketing education in cooperation with marketing specialists, the university lecturers, to create favourable conditions for the Members to enjoy the benefits of integration and cooperation within the Chamber.

The four main areas of activities of Polish Chamber of Exhibition Industry are: lobbying, actions facilitating the integration of trade fair industry, widely understood promotion of trade fairs and exhibitions - including publications, as well as education in the area of trade fair marketing and promotion of ethical business activities in the industry.

PCEI has been an active member of UFI - the Global Association of the Exhibition Industry since 1996. For many years PCEI has been cooperating on a regular basis with CENTREX - International Exhibition Statistics Union, AUMA - the Association of the German Exhibition Industry and many other foreign and international industry organizations.

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