



EUROPEAN PILLAR OF SOCIAL RIGHTS

#SocialRights

14 February 2019

TOWARDS FAIR LABOUR MOBILITY: SETTING UP A EUROPEAN LABOUR AUTHORITY

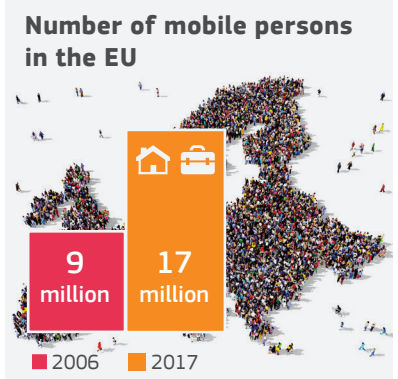


"We should make sure that all EU rules on labour mobility are enforced in a fair, simple and effective way by a new European inspection and enforcement body. It seems absurd to have a Banking Authority to police banking standards, but no common Labour Authority for our Single Market."

*European Commission President Jean-Claude Juncker,
State of the Union Address, 13 September 2017*

WHY DO WE NEED A EUROPEAN LABOUR AUTHORITY?

- ▶ **17 million Europeans** now live or work in a Member State other than that of their nationality. This figure almost doubled compared to a decade ago.
 - Among these, 12.4 million are of working age (20–64 years).
 - EU movers of working age in the EU have higher activity and employment rates than non-movers: around 76% of them are employed, compared to around 73% of non-movers.
- ▶ **1.4 million Europeans commute** to another Member State to go to work.
- ▶ There are **2.8 million posting operations** to carry out services in another Member State on a temporary basis.
- ▶ **Over 2 million workers** in the road transport sector cross intra-EU borders on a daily basis transporting goods or passengers.



ROLE AND ADDED VALUE OF THE EUROPEAN LABOUR AUTHORITY

- ▶ **Support Member States in providing access for individuals and employers to information** on their rights and obligations as well as to relevant services;
- ▶ **Support cooperation between Member States** in the cross-border enforcement of relevant Union law, including facilitating concerted and joint inspections and tackling undeclared work;
- ▶ **Mediate solutions in cases of cross-border disputes** between national authorities.

FUNCTIONING & STRUCTURE OF THE EUROPEAN LABOUR AUTHORITY



The European Labour Authority will be a permanent structure, made up of approximately 140 staff members, some of them seconded from Member States and acting as National Liaison Officers.



It will be steered by a Management Board, with representatives from each Member State and the European Commission. The Management Board will also include EU social partners and an independent expert appointed by the European Parliament.



A Stakeholder Group including EU social partners will provide further expertise and have an advisory role.



It will provide national authorities with operational and technical support to exchange information, develop day-to-day cooperation routines, carry out inspections and, if necessary, settle disputes. Synergies will be ensured with existing agencies, and a number of existing committees and networks will be integrated, thereby simplifying cooperation amongst Member States and eliminating fragmentation.



It will have an annual budget of approximately EUR 50 million.

THE EUROPEAN LABOUR AUTHORITY IN PRACTICE



Sara is a young IT graduate living in Italy. She would like to work in another EU country to gain international experience. Thanks to the EURES Job Mobility Portal managed by the European Labour Authority, Sara will not only have the possibility to search for jobs matching her skills profile across the European Union, but she will also have access to all the necessary information about language training and mobility schemes, as well as about her rights in terms of wages, working conditions and social security coverage. This information makes Sara's decision to accept possible job offers in other Member States a lot easier.



Authorities in Member State A identify a suspected case of fraud in the area of posting by a company in Member State B. This company does not only send posted workers to Member State A, but also to Member State C. The three countries decide to launch a joint inspection and ask the Authority to help. Based on agreed routines, the European Labour Authority provides logistical and technical support to the joint inspection, including translation and interpretation services, helping to uncover any irregular activities of the company in all three countries.



SME-X is a small but rapidly growing company. The management would like to benefit from the opportunities offered by the Single Market. They would like to recruit skilled people from abroad and provide the company's services in another Member State but they do not know what rules and procedures apply. Thanks to the European Labour Authority, with a few clicks SME-X will have easy access to the information they need on EU and national law, as well as sector-specific rules (for instance, sectorial collective agreements). They will also be able to publish easily their vacancies on the Job Mobility Portal and match them with talented people from all over Europe.



Undeclared work is a major challenge in Member State A: the Labour Inspectorate is planning to launch a new strategy to tackle the issue more effectively, combining prevention and deterrence. With support from the European Platform tackling undeclared work (managed by the European Labour Authority), the country will be able to benefit from a Mutual Assistance Project and receive advice from experts from other countries that have faced similar issues.



Member State A files a request to Member State B in order to obtain administrative documents about a suspected letterbox company operating in A but established in B. However, Member State B provides only partial information about the company. It argues that Member State A is requesting too many documents, some of which seem unrelated to the case. Member State A argues that its request is legitimate and justified by the specific circumstances of the case. As the two Member States do not manage to find a consensus on the way to go, they agree to adhere to the ELA Mediation Board which will help settling the dispute.

NEXT STEPS



The European Labour Authority was announced in September 2017 by President Juncker. Following a legislative proposal tabled by the Commission in March 2018, an Advisory Group was created to present recommendations that would benefit the set-up and work of the Authority. The Authority will be established in 2019 and should reach its full capacity by 2023.