

95TH EU COMMITTEE MEETING BRUSSELS, 29 OCTOBER 2024

The **Chair, Mads Pedersen Storgaard** (DK) welcomes the participants (*enclosure 1*) and starts with the first item on the agenda (*enclosure 2*).

ITEM 1 - DRAFT DIRECTIVES / REGULATION CURRENTLY BEING DISCUSSED: UPDATE & NEXT STEPS

a. **Revision of the European Works Council Directive**

State of play: The European Commission adopted the proposal to revise the EWC Directive at the end of January 2024 and the European Parliament adopted its report at its April meeting, just before the end of the legislative mandate. The Council adopted its general approach on 20 June during the EPSCO Council meeting. The outcome of the discussions in both institutions are not satisfactory from an employers' perspective but it seems that work will resume where it stopped in the European Parliament. MEP Denis Radtke was reconfirmed as rapporteur and the shadow-rapporteurs have been designated: Nela Riehl (Greens), Özlem Demirel (The Left), Gabriele Bischoff (S&D), Brigitte Van den Berg (Renew) & Elena Donazzan (ECR). The question is now when the EP mandate will be voted but MEP Radtke doesn't want to start the discussions under the Hungarian Presidency so he is pushing it back towards the end of the year to be able to start discussing with the Polish Presidency.

Ceemet activities: Just after the Summer recess, Ceemet wrote, with ECEG, to the Presidents of the main political groups calling for the application of the "discontinuity principle". Our initiative was followed by a similar one from BusinessEurope but for time being, both remained inefficient.

Actions:

- As soon as the EMPL Committee starts moving, employers will use the "71 MEPs" procedure to send the file to the plenary hoping a majority of MEPs will reject the report and send it back to the EMPL Committee.
- **Ceemet should send its position to new MEPs and also to the new shadow rapporteurs.**

b. **Directive on improving and enforcing working conditions for trainees and combatting regular employment relationships disguised as traineeships**

State of play: Both texts (recommendation and directive) are moving in the Council even if several Member States are still doubting about the relevance of the initiative, especially the Directive. The Member State experts meeting in the EU Council's Working Party on Social Questions met on Thursday 24 and Friday 25 October to examine new proposals from the Hungarian Presidency. They discussed a slightly reformulated third compromise which

excluded from its scope traineeships carried out as part of active labour market policies. This exclusion would further weaken the text in relation to the initial proposal and the European Parliament's mandate. The Hungarian text also renames the fight against bogus traineeships and specifies that Chapter III of the Directive concerns employment relationships which are incorrectly labelled as traineeships, i.e. when employers hire trainees outside of an employment relationship usually with a lower level of pay or worse working conditions than those which employees would normally be entitled to.

In the European Parliament, work hasn't started but the rapporteur (Alicia Homs-Ginel – S&D, Spain)) and shadow-rapporteurs have been designated: Benedetta Scuderie (IT, Greens), Jagna Marczulajtis-Walczak (PPE, PL), Chiara Gemma (ECR, IT)

Ceemet activities: Ceemet has initiated actions to ask for the withdrawal of the Directive, in application of the “political discontinuity”. They wrote to the Presidents of the political groups with Eceg at the end of the summer and pushed for an initiative with BusinessEurope and the sectors which should be ready by the end of the month of October. We are awaiting for the final text as BusinessEurope still wish to introduce a reference to the Recommendation which Ceemet is not supportive of.

France and Finland would recommend to stick to our position and to avoid claiming for the reinforcement of the Recommendation as the counterpart to the withdrawal of the Directive. After a short debate, the EU Committee agrees that the Secretariat shall wait for the final of BusinessEurope and check if a reference can be acceptable (as long as it doesn't call for a reinforcement of the Recommendation).

Action: Ceemet will continue its advocacy activities, especially aiming at the watering down/ withdrawal of the Directive.

c. Revision of the Regulation on Social Security Coordination

State of play: No evolution on this file can be reported. In the European Parliament, however, the rapporteur, Gabriele Bischoff (DE, S&D) has been reconfirmed. The shadow-rapporteurs have also been nominated: Jeroen Leeners (EPP), Gordan Bosanac (Greens), Jana Toom (Renew), Francesco Torselli (ECR). Rapporteur Bischoff has indicated that she was ready to restart discussions after the designation of the new Commissioner. The file could therefore start moving again before the end of the year. At Commission level, Jorg Tagger is the new head of unit in charge of the dossier.

Ceemet activities: Ceemet has been closely following the progress on the file.

Action: Ceemet will continue following the dossier and meet the relevant players as soon as the file starts moving.

d. Regulation establishing an EU Talent Pool

State of play: Following the adoption of the Council position, the European Parliament didn't move too much. The rapporteur in LIBE, Abir Al-Sahlani (Renew) has been reconfirmed but no nominations have been made as regards the shadow-rapporteurs or in the EMPL Committee.

Ceemet activities: Ceemet monitored the file since the vote in Council.

Action: Ceemet will continue following the dossier and meet the relevant players in the European Parliament as soon as the file starts moving.

ITEM 2 – CURRENT AND POSSIBLE FUTURE INITIATIVES

a. Possible initiative on AI at the workplace

State of play: The European Commission has reiterated its commitment to present an “initiative” on AI at work both in the political guidelines and in the Commissioner-designate mission letter but no more details have been given. The topic is however very much discussed in conferences and event and the trade unions are pushing very strongly for a Directive reinforcing their information and consultation rights on this issue. TIF is also monitoring closely what the trade unions are doing as there are some concerns that if employers don’t say anything the trade unions will set the narrative. Employers therefore have to start taking action to explain that the legal framework is robust and that the issue should be dealt with at national and company level.

Ceemet activities: Ceemet has been attending many events to gather intelligence on the topic and is part of BusinessEurope Advocacy Group.

Action points: The members agree that Ceemet should follow the developments on the file. The Secretariat will require the support from the General Assembly to reactivate the WG on artificial intelligence and to launch a survey at national level (on the basis of the TIF’s one).

b. Telework and the right to disconnect

State of play: The 2nd stage consultation is pending the new Commissioner as well as the end of the work of the Advisory Committee on Health & Safety concerning the review of the Display Screen Equipment Directive which also contains provisions on remote workers.

Ceemet activities: Ceemet published its reply to the 1st stage consultation late June 2024.

Action points: Ceemet will prepare its reply to the 2nd stage consultation when it is published

c. Initiative on eDeclaration

State of play: eDeclaration is a voluntary initiative which was proposed as a result of the introduction of the Enforcement Directive on posted workers. The idea of the tool is to facilitate reporting for posted workers. It is now on the agenda of the College of Commissioners for 13 November 2024. It could take the form of the revision of the IMI system with a voluntary approach.

Ceemet activities: Ceemet has been supporting and calling Member States to put in place this eDeclaration for several years.

Action point: Ceemet will closely follow the developments on the file.

ITEM 3 – IMPLEMENTATION AND FOLLOW-UP OF ADOPTED DIRECTIVES

- a. Adequate Minimum Wages Directive – round table on national implementation
- b. EU Pay Transparency Directive – round table on national implementation

The members provided an update on the transposition of **the Directive on adequate minimum wages and EU Pay Transparency Directive** :

Austria: No major changes are foreseen for the Adequate Minimum Wage Directive. For the Pay Transparency, negotiations are ongoing with the government so difficult to say anything.

Denmark: There is no need to transpose the Directive on Adequate Minimum Wages. As regards the proceeding at the ECJ, no information is available yet. On the pay transparency, the implementation process is currently going on with discussion among social partners. Lack of clarity is slowing things, especially when it comes to the definitions.

Finland: Action has been initiated but it is at very early . There is no major drive by the Government to proceed with the transposition as the national legislation on both texts is already in line. The political need for action is limited. This is not a priority.

France: Regarding the Adequate Minimum Wage Directive, a consultation of social partners on a draft decree has started on a small technical point. On Pay Transparency, things are more complex. Civil servants will also be covered.

Sweden: There is no need to do much as regards the transposition of the Minimum Wage Directive. For pay Transparency, the government has launched an investigation with an evaluation and on that basis a draft text will be prepared.

Italy: There is no news on the transposition of these two directives.

Germany: For the Adequate Minimum Wage Directive, major fuss with a letter from the Minister for Social Affairs to the Chair of the Minimum Wage Committee to explain that there would be no need for transposition if the Committee would come with a new minimum wage equal to 60% of the median wage. Many employers reacted. And finally, government concluded that in any case, there was no need for a transposition.

When it comes to pay transparency, a draft is available but not published. Soon to come before the end of current government (fall 2025).

United-Kingdom: national minimum wage rate will increase from 6 to 7% to 12,20£ (based on the recommendation of the Minimum Wage Committee).

c. Platform Work Directive

The directive was adopted on 14 October and should now be published in the Official Journal of the European Parliament. Members States will then have two years to transpose the text.

Austria started to work on the transposition, though the text is not yet published.

d. Corporate Sustainability Due Diligence Directive

State of play: the Directive was published in the OJEU over summer and the transposition deadline has started. In Germany, it is a major issue with the difficulties raised by the co-existence of the European and national set of legislation. In Finland, the main question is to know which set of guidelines should be used.

Ceemet activities: Ceemet is about to support an employer / trade associations initiative, initiated by BusinessEurope calling for support for companies in their implementation process.

Action point: Ceemet will monitor the implementation and continue calling for support for companies.

ITEM 4 – FOR UPDATE

a. Update on EU-UK relations

Richard Rumbelow (Make UK) provided an update on EU – UK relations:

General elections took place early July 2024 and UK Labour Party secured a Government with a large majority. Labour has come in with high pace programme in terms of labour policies: push for a pro-growth narrative and at the same time a potentially “anti-employers” budget (minimum wage, increase of national insurance payments for employers etc.). Strategy is stated as a one-time hit on employers. Government wants to have the argument now. Reset of the EU-UK relations is observed, though substance not expected until next year. Both sides could work on defence/economic-security pact, SPS agreement and successfully complete agreements on, GDPR, Energy and Fisheries Treaties. EU expected to seek a Youth Mobility seal, and further confidence in the operation of the UK Border and with the Windsor Framework. A ‘technical review’ of the TCA is expected in 2026. New government has issued a plan to “make work pay”. Employment Rights Bill was introduced as a follow-up with substantial changes to legislation: extension of protection against unfair dismissal, restriction on zero-hour contracts, statutory sick pay modified, flexible working facilitated for workers etc. None of these changes will come into force before 2026.

b. Update on EU-CH relations

Claudio Haufgartner (Swissmem) provided an update on EU – CH relations:

Currently, there might be a risk that the result of the negotiations for a renewed bilateral agreement will not be accepted when the vote would take place today. Certain trade unions and political parties are against if certain conditions are covered by the final agreement, especially the populist party which is actually the strongest party in Switzerland is strictly against any new agreement and in general very critical against any relation with the EU. Furthermore, this party has launched the so called “10 million” initiative, which – if accepted – would limit the resident population in Switzerland at 10 Million. As Switzerland has actually a population of 9.15 million, the risk is inherent, that at a certain time, migration into Switzerland would be stopped. This would be very harmful for Swiss economy. Swiss economy is actually not unified behind the actual negotiations. A new interest group financed by a group

of billionaires has launched a campaign against the negotiation of this new Agreement (not against the EU). Also, the public opinion is rather critical: the result of the latest poll shows that 50% are critical regarding a closer relation with the EU and fear further increase of administrative burden and regulations.

Item 5 – ELA activities and Labour Mobility

Germana Viglietta, Brussels Liaison Officer of the European Labour Authority, presented the activities of the Authority and some of the topical issues on which the ELA is currently focusing. The slides are attached to the minutes as per *enclosure 3*.

In the discussion which follows, Germana focuses on the following:

- Two topics on which ELA will be active: gather intelligence on sub-contracting and third-country nationals.
- Long term posting are also problematic as the rules are not always fully clear and abuses are reported.
- In the most recent reports, the European Commission concluded that there was no need for new legislation on sub-contracting and Third-Country Nationals (TCN° so companies shouldn't worry.
- In terms of information, ELA is of the opinion that the national websites should be streamlined and improved. Things are improving slowly but we are far from a satisfactory result.
- National websites could be combined with a helpdesk to give legal/administrative advice. The helpdesk should be in contact with the National Liaison Officer to make sure they give the right interpretation.
- The remuneration calculator is a good idea but not easily applicable, especially in MS with collective agreements, combined with the issue of translation. So ELA relies on national authorities.
- ELA was involved in the first phase of preparation of the e-Declaration. ELA could be asked to work on its implementation.

ITEM 6 – AOB

a. Draft motion for resolution on restructuring

State of play: on 21 October, MEP Ceulemans presented a draft motion for resolution on “social and employment aspects of restructuring processes: the need to protect jobs and workers’ rights”. It contains many proposals which employers can’t accept such as

- EU financial support to undertakings : conditional on their compliance with the applicable working and employment conditions and/or employer obligations resulting from the relevant collective agreements
- A call on the Commission to present a proposal for a directive on just transition in the world of work, through anticipation and management of change, based on the principles of trade union involvement and collective bargaining
- A call for a comprehensive directive to address the challenges and complexities associated with subcontracting to ensure fair working conditions, adequate rights and protections for subcontracted workers; calls for the directive to include provisions for

collective bargaining rights to enable subcontracted workers to negotiate their terms of employment effectively.

Action point: Ceemet will launch some advocacy activity with the support of its members to try and stop this motion from being adopted in this initial version.

b. Dates of next EU committee meeting

The next EU Committee will take place on **12 March from 9h00 to 12h30**, linked to the C&E Working Group.

The EU Committee in June will be organised with the IER. A doodle will be sent to the participants.

Brussels, 22 November 2024

Enclosures:

1. List of participants
2. Final agenda
3. Presentation by Germana Viglietta