

Summary Minutes

Meeting of Directors General for Industrial Relations

20 November 2015

**Sint Olofskapel – NH Barbizon Hotel
Amsterdam**

1. INTRODUCTION AND ADOPTION OF THE AGENDA.

Mr OLSSON (Chair) (European Commission – Director, DG Employment, Social Affairs and Inclusion) opened the meeting and welcomed all participants.

Due to the absence of Mr STRUILLLOU (France - General Director, Department for Labour, Employment, Professional training and Social Dialogue), the French delegation did not present, as planned, the French reform of the individual and collective labour relations. For the other points, the draft Agenda was adopted.

2. MINUTES OF THE MEETING OF DIRECTORS GENERAL HELD ON 8 MAY 2015 IN LUXEMBOURG.

Only the English version of the minutes of the previous meeting (held in Luxembourg) was transmitted to the Group before the present meeting. The Commission transmitted the French and German versions the following days. Comments were opened until 7 December 2015 for finalisation by written procedure.

3. PRESENTATION OF THE DUTCH PRESIDENCY'S PRIORITIES IN THE SOCIAL AFFAIRS FIELD.

Mr BOEREBOOM (NL - General Director, Department for Social Affairs and Employment) gave an overview of the three announced priorities of the forthcoming Dutch presidency in the field of employment and social affairs:

- Promotion of decent work (i.e. fair labour mobility within the EU and better protection of workers against carcinogens).
- Reduction of poverty: the Dutch Presidency would like to organise multiple meetings in order to exchange best practices and reduce poverty in its broadest definition.
- Integration of the refugees in the labour market.

Mr BOEREBOOM also announced the important events and dates of the Presidency, in particular the EPSCO Council Informal Meeting on 19-20 April 2015. There will be two large thematic conferences. The first one will be held in March covering the enforcement issues related to decent work. The second one will be held in May on work-related cancer. Moreover, a series of informal meetings will take place in Amsterdam.

4. PRESENTATION BY THE COMMISSION ON THE STATE OF PLAY CONCERNING THE TARGETED REVIEW OF THE POSTING OF WORKERS DIRECTIVE.

Ms GUIN (Head of the Unit "Working Conditions" of DG Employment, Social Affairs and Inclusion of the European Commission) gave a presentation regarding 'mobility package' which would allow a targeted review of the Posting of Workers Directive. Ms GUIN informed the group about the evolution of posting within the EU. In the framework of the ongoing reflection, three elements are regularly discussed (the potential wage gap between posted workers and local workers; the temporary nature of posting; the link between temporary agency work and posting).

Various delegations took the floor to thank the Commission for this clear presentation and to emphasise the sensitive nature of this topic. Four delegations (BE, PL, DK, MT) intervened to raise questions concerning the minimum wage which posted workers should receive and the link of this Directive with the Rome I regulation. The Commission's delegation responded to the delegations' questions.

5. PRESENTATION BY THE COMMISSION ON THE RESULTS OF THE FIRST-STAGE CONSULTATION OF SOCIAL PARTNERS ON A CONSOLIDATION OF THREE DIRECTIVES IN THE AREA OF INFORMATION AND CONSULTATION OF WORKERS.

Ms GUIN presented the results of the first-stage consultation which was still ongoing at the time of the previous meeting. This consultation generated a substantial interest from the social partners and led to divergent views among them. The employers' side was satisfied with the current Directives whilst the employees' side would like to see changes to promote upward convergence between the three Directives. Both sides, however, were reluctant to merge the Directives into a single legal act. The launch of a second-stage consultation, Ms GUIN continued, is pending the results of ongoing negotiations by social partners on central government administration, the results of the first-stage consultation and other projects which might have an influence.

6. PRESENTATION OF THE COMMISSION INITIATIVE FOR A "NEW START TO ADDRESS THE CHALLENGES OF WORK-LIFE BALANCE FACED BY WORKING FAMILIES".

This initiative is a file shared by Ms THYSSEN (Commissioner for Employment, Social Affairs, Skills and Labour Mobility) and Ms JOUROVA (Commissioner for Justice, Consumers and Gender Equality). Mr OLSSON gave a presentation covering the Commission initiative. The core of the initiative is to move away from only the health and safety legal basis and to take a greater work-life balance perspective as well as a stronger female labour market participation angle. A broad public consultation has been launched whilst consulting the social partners on possible improvements to the EU legal framework.

7. THE INTEGRATION OF REFUGEES ON THE LABOUR MARKET: PRESENTATION BY THE COMMISSION AND EXCHANGE OF VIEWS BETWEEN MEMBER STATES.

Ms SZIGETI (Asylum Unit of DG Migration and Home Affairs of the European Commission) provided the audience with a presentation on the integration of refugees on the labour market. Experience shows that the employment rate of refugees is lower than natives at the outset but that they eventually catch up. The

aim is to shorten this catching up period. Firstly, Ms SZIGETI discussed the new rules concerning the access to the labour market for asylum seekers and the situation in Member States regarding aspects such as the protection of refugees, equal working conditions, structural assistance and better assessment of language skills. Secondly, Ms. SZIGETI explained how the Commission could support national policies. Thirdly, the need to mobilise funding was brought up by stressing the importance of the three main funds: the Asylum, Migration and Integration Fund, the European Aid for the Most Deprived and the European Social Fund. Lastly, the future plans of the Commission were shared with the audience.

Six delegations took the floor (SV, DE, NL, AT, LU, IE) of whom many shared their concerns regarding the strain the influx of refugees had on vital public sectors. The contrasted impact on Member States was mentioned as well as the need for a fairer distribution of refugees within the European Union. The above mentioned delegations also shared some creative solutions which have been introduced in their respective Member States and stressed the need for an exchange of best practices.

Ms SZIGETI picked up on the interventions especially regarding need for solidarity (reform of the Dublin regulation), exchange of best practices and social rights.

8. PRESENTATIONS AND INFORMATION BY DELEGATIONS ON RECENT DEVELOPMENTS REGARDING LABOUR LAW AND INDUSTRIAL RELATIONS IN THE MEMBER STATES.

8.1. Italy: update on the labour market reforms

The Italian Job Act aims to create a more inclusive, resilient and flexible labour market by focusing on six strategic points: (i) the strengthening and streamlining of the social safety net, (ii) the removal of red tape for firms and citizens, (iii) reviewing the types of contracts and reducing atypical employment relationship, (iv) the creation of new open-end contracts with a higher protection for employees and, (v) support maternity and work-life balance. Finally, the Italian delegation shared the early promising results of the Job Act.

Subsequently to the comprehensive presentation, the floor was opened for questions or remarks. Three delegations (DK, FR, LU) asked questions mainly related to the forms of contracts and open-end contracts.

8.2. Netherlands: national rules on admission and stay of highly skilled migrant workers

The Dutch delegation gave a presentation on the policies for highly skilled migrants. Different schemes have been developed for different groups of highly skilled migrants. For the regular highly skilled migrants, a scheme was introduced in 2004 based on salary thresholds to easily issue residence permits to these types of migrants. Similar to this scheme is the Blue Card which comes with more requirements but allows the holder to travel freely in the EU. Academics are exempt from requirements for working permits, students are allowed to stay for one more year to find a high-skilled job. Regarding the category of high-skilled migrants in start-up companies, foreign companies can grant one-year permits (renewable to three years) for their key personnel. Lastly, besides the existing exemptions for specialists to facilitate international business purposes, a scheme shall soon be introduced for international operating companies which shall only require companies to notify third-country nationals.

Following the presentation, two delegations (IE, DE) took the floor for questions mainly related to the particular focus of the Dutch government for these high-skilled migrant schemes. Moreover, one delegation wondered if the Dutch government has any plans to diminish their dependence on highly skilled, third-country migrants by developing specific educational programs

The Dutch delegation welcomed the pertinent questions and informed the present delegations that the universities respond to the needs of the market as well as reaffirming the benefits of these income criteria.

9. PRESENTATION BY THE COMMISSION ON CURRENT AND FORTHCOMING ACTIVITIES IN THE FIELDS OF:

9.1. Social dialogue (inter-professional and sectoral)

Ms GUIN referred to the revised format of the Tripartite Social Summit which is more interactive. She emphasised the need for a reinforcing role of the social partners in the European Semester and the completion of the European Monetary Union through three stages. Two thematic groups to come up with concrete proposals have been put in place on the following themes: (a) social dialogue, economic governance, capacity building and (b) social dialogue, policy-making and law-making.

Ms GUIN also commented the cross-industry social dialogue in which social partners adopted the joint work programme based on eight domains. Regarding the sectoral social dialogue, Ms. GUIN shed some light on the ongoing and planned negotiations in the sectors personal services, the central government administration and the maritime transport.

9.2. Labour Law (including recent rulings of the Court)

In the field of labour law, Ms GUIN sketched the state of play of the main ongoing legislative files: a) the Seafarers Directive, b) the Inland Waterways Directive and c) the EU platform between labour inspectorates and other bodies to prevention and deterrence of undeclared work. She also commented on the works related to the Working Time Directive, the implementation at national level of the Enforcement Directive for Posting of Workers and the consultation of social partners on a possible consolidation of the 3 directives on Information and Consultation (already discussed under point 5 here above).

Regarding reports, evaluations and studies that are being developed, Ms GUIN referred to (i) the evaluation of the Fixed-term Work and Part-time Work Directives, (ii) the Implementation Report on the Working Time Directive, (iii) the evaluation of the European Works Council Directive, (iv) the evaluation of the Written Statement Directive; (v) the proportionate impact assessment for the European Sectoral Social Partner's Agreement concerning the implementation of the work in Fishing Convention (2007, ILO) (vi) the Study on wage setting systems and minimum rates of pay applicable to posted workers in accordance with Directive 96/71/EC in a selected number of Member States and sectors.

Ms GUIN also mentioned the Calls in the field of (i) information, consultation and participation of representatives of undertakings (ii) posting of workers and (iii) undeclared work.

Afterwards, Mr. DE BEYS (Legal Officer, "Working Conditions" of DG Employment, Social Affairs and Inclusion of the European Commission) and Ms GUIN provided insights in key recent preliminary rulings of the Court (cases *Rabal Cañas* (C-392/13), *Balkaja* (C-229/14), *Regojo Dans* (C-177/14), *Ferreira da Silva e Brito* (C-160/14) and *Tyco* (C-266/14)).

Finally Mr Olsson commented on the "Pillar of Social Rights" and referred to the 2016 Commission Work Programme stating "The initiative will address gaps in existing legislation and identify common principles and reference benchmarks with a view to a greater convergence of employment and social performance over time".

10. ANY OTHER BUSINESS

The SK delegation invited the members of the Group to the next DGIR meeting that will take place on 20 May 2015 in the city of Bratislava.