



EUROPEAN COMMISSION

*Brussels, 10.6.2021  
C(2021) 4287 final*

*Dear President,*

*The Commission would like to thank the Senato della Repubblica for its additional Opinion on the proposal for a Directive on adequate minimum wages in the European Union {COM(2020) 682 final}.*

*The Commission appreciates that the Senato della Repubblica has analysed this proposal so expeditiously. It welcomes the support of the Senato della Repubblica for the proposal's general aim to ensure that the workers in the European Union are protected by adequate minimum wages allowing for a decent living wherever they work.*

*The Commission would like to refer to its reply transmitted to the Senato della Repubblica on 7 April 2021 {C(2021)2495} in response to its first Opinion, as well as to the attached Annex, in response to the more technical elements in this additional Opinion.*

*The Commission hopes that these clarifications address the issues raised by the Senato della Repubblica and looks forward to continuing the political dialogue in the future.*

*Yours faithfully,*

*Maroš Šefčovič  
Vice-President*

*Nicolas Schmit  
Member of the Commission*

*Ms Maria Elisabetta ALBERTI CASELLATI  
President of the  
Senato della Repubblica  
Piazza Madama, 1  
IT – 00186 ROMA*

Collective bargaining

*The Opinion states that collective bargaining referred to in the text of the proposal should be determined by the participation of the most representative employers' organisations and employees. As also stated in our previous reply,<sup>1</sup> the proposed Directive recognises the key role that collective bargaining plays for adequate minimum wage protection and encourages all Member States to take action to promote collective bargaining.*

*The Commission promotes and supports the role of social partners at the European level and is also available to further support the Member States in the field of social dialogue, in line with the provisions of the Treaties and with due respect to the autonomy of the social partners.*

*However, the approach retained in the draft Directive also aims to ensure that the proposed measures do not call into question the specificities of national systems and traditions and fully respects national competencies, the heterogeneity of industrial relations systems at national level and the autonomy of social partners.*

*The design of the concrete measures related to collective bargaining in a given Member State, including aspects related to the representativeness of social partners, falls under the discretion of the Member State concerned, which will need to design them in line with their national practice and in such a way that is effective to pursue the aim of the draft Directive. The Member States should also take into account the relevant international labour standards of the International Labour Organisation ratified at national level.*

*With regard to the Senato della Repubblica's remarks concerning the need to guarantee that all workers are involved in the application of a sectoral collective agreement capable of guaranteeing decent pay, the proposal explicitly mentions in Article 1 (3) that the Directive does not impose an obligation to make collective agreements universally applicable. However, the Member States are free to maintain extension clauses where they already exist or to put them in place as part of their national policy in the field of collective bargaining, with due respect of the autonomy of the social partners and the freedom of collective bargaining.*

Strengthening controls and inspections regarding the application of statutory minimum wages

*The Commission takes good note of the remarks of the Senato della Repubblica on ensuring effective application of the provisions on statutory minimum wages by strengthening the controls and field inspections carried out by the institutional actors responsible for supervising their application. The Commission would like to recall that one of the measures that Article 8 of the draft Directive on effective access of workers to statutory minimum wages asks the Members States to take, as appropriate, in*

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<sup>1</sup> C(2021) 2495 final

*cooperation with social partners, is precisely to strengthen controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages.*

*Introducing direct support to businesses (who were severely impacted by the pandemic) through European programmes in order to support increases in labour costs*

*Especially in the context of the current crisis, ensuring a decent living for all workers is not only essential to guarantee fair working and living conditions and build fair and resilient economies, but also to ensure that economic recovery is sustainable and inclusive. The proposal provides flexibility to Member States to adjust minimum wage increases not only taking into account the social and economic conditions in each country, but also considering the impacts on employment and the competitiveness of businesses (including SMEs).*

*As regards support instruments, as set out in Recital 31, the Technical Support Instrument and the European Social Fund Plus are available to Member States to develop or improve the technical aspects of minimum wage frameworks, including the general capacity building related to the implementation of said frameworks. The Commission takes note of the Senato della Repubblica's suggestion to introduce direct support to businesses into the European programmes. However this goes well beyond the scope of the proposal.*

*Encouraging the introduction of a mandatory minimum threshold for wages*

*On the remarks to encourage the introduction of a mandatory minimum threshold, the Commission notes that, based on the information provided in the Opinion, this mandatory threshold under which no collective agreement could go and leaving collective agreements to regulate other pay items, seems to be the equivalent of introducing a statutory minimum wage.*

*If this is the intended outcome of the above mentioned suggestion of the Senato della Repubblica, the Commission would like to recall the provisions of Article 1 (2) of the proposal, according to which the Directive shall be without prejudice to the choice of the Member States to set statutory minimum wages or promote access to minimum wage protection provided by collective agreements. Moreover, due to the limitations set by Article 153 (5) TFEU, it is not possible for the Commission to set a binding minimum wage level. The decision on whether to introduce such a threshold would therefore belong to the Member States, in line with their national competences.*

*However, the proposed Directive can lay down provisions for statutory minimum wage setting frameworks in order to ensure that they deliver adequate minimum wages. That is, minimum wages that are fair with respect to the wages of other workers in the same country and that provide workers with a decent standard of living in that country. To this end, the proposal asks Member States to use indicative reference values to guide the assessment of minimum wage adequacy, such as those commonly used at international level.*