

Adequate minimum wages proposal – an attack on collective bargaining

The Commission proposal for adequate minimum wages has no legal basis. Therefore, Ceemet calls the EU Council legal services to confirm the lack of a legal basis when they present their analysis in March. Ceemet is indeed extremely surprised that the detrimental impact that the Directive would have on collective bargaining has been out of the spotlights.

Brussels, 08 February 2021 – Upon request of the Member States, the legal service of the European Council is analysing whether the Commission proposal for a Directive on adequate minimum wages has a legal basis. The outcome should be clear as, according to European Treaties and the case law of the European Court of Justice (ECJ), pay and collective bargaining are excluded from the EU level.

Therefore, employers and various national trade unions rightfully insist that decisions involving wage setting and collective bargaining - as proposed by the Commission - must be taken at national level.

Undermining collective bargaining: collateral damage for the Commission?

The proposal's negative consequences for collective bargaining have been out of the spotlight. For Ceemet, this comes as a surprise knowing that the proposal heavily impacts this social partners' tool.

Setting an arbitrary target of 70 % collective bargaining coverage, and obliging Member States to interfere if the coverage is below this threshold, will likely result in the end of well-functioning collective bargaining systems. This interference goes against social partner autonomy and will weaken what the Directive sets out to strengthen.

Another consequence of the Directive is the ECJ acquiring jurisdiction over national collective agreements and imposing any criteria laid down in the Directive. This would be the end for national collective bargaining and goes - again- against the principle of social partner autonomy.

Although it surely is not the intention of the Commission to undermine successful social partnership across the EU, it seems to turn a blind eye on the impact that its proposal would have. The concerns expressed by social partners during the public consultations have not been taken into account.

One option to avoid a drama: withdraw the proposal

Opposing the Commission proposal is not about opposing common values. It is about condemning the EU deeply intervening in something it said it wouldn't and it shouldn't. It is about defending the basic functioning principles of the European Union that have been agreed upon in European Treaties.

The Commission proposal cannot deliver what it promised without undermining existing and successful collective bargaining systems. Therefore, as one of the most active sectors in terms of collective bargaining in Europe, Ceemet strongly advocates for the sole option to avoid a drama, and that is to withdraw the proposal.

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