

New European Labour Authority agreement

The rapid setting up of the new authority was based on the evidence that cross-border labour mobility had increased notably in recent years

At the end of one of the fastest EU legislative processes – the initial proposal was presented by the European Commission in March 2018 – the European Parliament and the Council of Ministers reached a preliminary agreement on the setting up of a new European Labour Authority (ELA).

The proposal to set up a new authority was based on evidence that cross-border labour mobility had notably increased recently.

In 2017, 17 million citizens lived or worked in a Member State other than that of their nationality – almost double a decade ago.

Postings – the sending of workers for a temporary period to a Member State which is not their habitual place of work, in order to provide services – increased by 68% from 2010 to 2.3 million in 2016. And 1.4 million EU citizens commute to go to work in another Member State.

There is therefore a need for effective co-operation between national authorities, and for concerted administrative action to manage these trends.

The main objective of this initiative is to contribute to

ensuring fair labour mobility in the Internal Market, through a number of means.

One is by facilitating access to information by individuals, employers and social partners, on rights and obligations in cross-border labour mobility situations, including through the co-ordination of EURES (the European Job Mobility Portal), among others, via a single website.

Then there is facilitating co-operation and exchange of information between national authorities through National Liaison Officers within the ELA, who should support Member States' compliance with co-operation obligations, speed up exchanges between them, and ensure links with other national liaison offices, bodies and contact points established under EU law.

Another means is co-ordinating and supporting concerted and joint inspections by national authorities. These should be with agreement and within the framework of national law of the Member States concerned. Their voluntary and non-binding nature has been strongly emphasised by Member States, under the subsidiarity principle, and is reflected in the final text.

There is also the carrying out of analyses and risk assessments on issues of cross-border labour mobility, to keep track of emerging trends, challenges or loopholes in labour mobility and social security co-ordination.

This should involve labour market analyses and studies, plus peer reviews, including the potential imbalances of skills and cross-border labour flows.

Supporting capacity building of national authorities through guidance, mutual learning and training to improve consistency in the application of Union law within its scope is another strand.

Operational assistance should be provided by the ELA, for example by developing practical guidelines, establishing training and peer learning programmes, promoting mutual assistance projects, facilitating staff exchanges and supporting Member States in organising awareness campaigns informing individuals and employers of their rights and obligations.

UNDECLARED WORK

Then there is supporting Member States in tackling undeclared work. For this, the activities currently undertaken within the EU Platform for tackling undeclared work, which was set up in 2016, will gradually be integrated within the ELA.

Finally, there is mediation in disputes between Member States on the application of EU law concerning labour mobility.

In this respect, the ELA will provide a platform for resolving disputes in relation to the application of Union law that falls within its scope. Member States will be able to refer cases to the ELA for mediation according to specific procedures.

The ELA will deal only with disputes between Member States, and not between individuals.

The establishment of the ELA should enhance the EU institutional landscape in the area of cross-border mobility.

Today, this institutional

landscape includes many EU structures, such as the Co-ordination Office of EURES, the Technical Committee and the Advisory Committee on the Free Movement of Workers, the Committee of Experts on Posting of Workers, the European Platform tackling undeclared work, the Administrative Commission for the Co-ordination of Social Security Systems, the Advisory Committee for the Co-ordination of Social Security Systems, etc.

Several of these structures will be integrated in the ELA.

As regards the governance, the Member States, the Commission and the representatives of the social partners will be on the Management Board, and the ELA will also rely on the expertise of relevant stakeholders with a dedicated stakeholder group, in which the representatives of some sectoral social partners will also be present.

Although the decision regarding its future seat has not been taken yet, the ELA could start working from June 2019, with a staff of 15 people and a budget of €2 million, and is planned to grow to a budget of €50 million and 144 people when at cruising speed in 2024.

Almost two thirds of its budget will come from existing financing sources which are currently supporting various other bodies – such as the Committee of Experts on Posting and the EU Platform against undeclared work – that will be integrated in the ELA.

This provisional agreement has now to be endorsed both by the Council and the European Parliament.

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