EPSU affiliates debate next steps in fair minimum wage consultation



(23 June 2020) On 3 June the European Commission launched the second stage consultation on potential legislation on fair minimum wages. EPSU convened an online working group on 19 June to discuss the key issues and the draft response to the consultation from the ETUC. There were 29 participants from EPSU affiliates in 15 countries.

In a short introduction, Richard Pond of EPSU highlighted key concerns for EPSU in relation to ensuring that the public sector is covered by the legislation and the importance of preventing any kind of freezing of public sector bargaining as followed after the last crisis.

ETUC deputy general secretary Esther Lynch presented the first draft of the ETUC's response to the consultation. She started by setting out the timetable for the consultation (see below) and then went through the ETUC's main objectives

covering both minimum wages and collective bargaining.

In the case of minimum wages, the ETUC is looking for legislation to establish a minimum threshold below which minimum wage cannot fall. Esther outlined the possibilities noting that more than one benchmark could be appropriate to address the variations in wage distribution across countries.

Minimum wages also had to cover all workers with no deductions. It would also be important to ensure strong and effective monitoring and enforcement.

To achieve decent minimum wages the ETUC underlines the essential role of collective bargaining and the need to extend and strengthen coverage in countries where coverage is below 70% with guarantees for the right to negotiate and to organise workers. Esther also pointed to the importance of using amended procurement legislation to require respect for collective agreements and promotion of collective bargaining as well as introduction of a social progress protocol to protect collective agreements in the face of demands of the single market.

The ETUC has proposed a number of red lines in any legislation one of which would be that no Member States without a statutory minimum wage as of 1 January 2021 will be required to introduce one.

The discussion covered a range of issues, including:

- How to address the problem of pay adequacy for part-time workers and issues arising from new ways of working, such as telework, following the pandemic;
- The importance of defending collective bargaining in the public sector against austerity and any attempts to unilaterally freeze bargaining;
- The need to support trade unions and right to bargaining particular if Commission continues pressure for structural reforms;
- Strong support for initiative on procurement and need for additional resources to ensure compliance, with suggestion to draft text of procurement clause;
- Importance of assessing what are adequate minimum wages but concern about the "living wage" concept;
- Query about the legal basis for any legislation, with concern that there is no legal basis for European Union action on pay;
- Concern about the ability of employers to sidestep collective agreements and need for range of measures to ensure compliance, record working time and protect posted and migrant workers;

- Potential to address gender pay gap; and
- Importance of non-regression.

Below is the ETUC timetable for discussing and approving the response to the European Commission. EPSU will also circulate the response to members of the Executive Committee to vote on.

Timetable

June

26 ETUC CB committee discusses ETUC document and amendments and comments

29 ETUC circulates amended draft to ETUC Executive

July

3 ETUC Executive meeting to agree draft

6 Revised draft sent to ETUC affiliates for vote (and sent by EPSU to members of the Executive to vote)

September

1 Deadline for return of EPSU voting cards

- 2 Deadline for return of ETUC voting cards
- 4 ETUC sends response to European Commission

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