REPORT


Committee on Employment and Social Affairs

Rapporteur: Georgi Pirinski
Symbols for procedures

* Consultation procedure
*** Consent procedure
***I Ordinary legislative procedure (first reading)
***II Ordinary legislative procedure (second reading)
***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in bold italics in the left-hand column. Replacements are indicated in bold italics in both columns. New text is indicated in bold italics in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in bold italics. Deletions are indicated using either the ▌ symbol or strikeout. Replacements are indicated by highlighting the new text in bold italics and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.
CONTENTS

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION .............................................. 5
EXPLANATORY STATEMENT ............................................................................................................. 39
OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION ............................................................................................................................................... 41
OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY 59
PROCEDURE ........................................................................................................................................ 76
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a decision of the European Parliament and of the Council on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2014)0221),

– having regard to Article 294(2) and Article 153 (2) (a) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0144/2014),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the reasoned opinion submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the House of Commons of the United Kingdom, asserting that the draft legislative act does not comply with the principle of subsidiarity,

– having regard to the opinion of the European Economic and Social Committee of 10 September 2014¹,

– having regard to the opinion of the Committee of the Regions of 7 October 2014²,

– having regard to Rule 59 of its Rules of Procedure,

– having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on the Internal Market and Consumer Protection and the Committee on Women’s Rights and Gender Equality (A8-0172/2015),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a decision
Title

Text proposed by the Commission
Decision of the European Parliament and of the Council on establishing a European platform to enhance cooperation in the prevention and deterrence of undeclared work

Amendment
Decision of the European Parliament and of the Council on establishing a European platform to enhance cooperation in tackling undeclared work

Amendment 2

Proposal for a decision
Recital 3

Text proposed by the Commission
(3) Article 151 of the Treaty sets out as objectives in the field of social policy the promotion of employment and improved living and working conditions. With a view to achieving these objectives, the Union can support and complement the activities of Member States in the fields of health and safety at work, working conditions, the integration of persons excluded from the labour market and the combating of social exclusion.

Amendment
(3) Article 151 of the Treaty on the Functioning of the European Union (TFEU) sets out as the objectives in the field of social policy the promotion of employment and improved living and working conditions. With a view to achieving these objectives, the Union can support and complement the activities of Member States in the fields of health and safety at work, working conditions, the integration of persons excluded from the labour market, and combating social exclusion, while excluding any harmonisation of national law and regulations. In accordance with Article 153(2) TFEU, however, the Union may adopt measures to encourage cooperation between Member States.

Amendment 3

Proposal for a decision
Recital 4

Text proposed by the Commission

Amendment
The European Parliament in its resolution on "Effective labour inspections as a strategy to improve working conditions in Europe" welcomed the Commission's initiative to create a European Platform and called for enhanced cooperation at EU level to fight undeclared work.

27 European Parliament resolution of 14 January 2014 on effective labour inspections as a strategy to improve working conditions in Europe (2013/2112(INI))

Amendment 4
Proposal for a decision
Recital 4 b (new)

Text proposed by the Commission

(4b) The establishment of the Platform should be without prejudice to Member States’ competence and/or obligations to tackle undeclared work as well as to ILO Convention No 81. Member States and
their enforcement bodies play a crucial role in effectively preventing, tracking and penalising undeclared work. The work of the Platform should therefore not prevent rigid checks or other activities by Member States to fight against the black economy but should, rather, support measures to encourage and promote declared work and curb social security fraud.

Amendment 5

Proposal for a decision
Recital 5

Text proposed by the Commission

(5) At European level undeclared work is defined as "any paid activities that are lawful as regards their nature but not declared to public authorities, taking into account differences in the regulatory systems of the Member States", thus excluding all illegal activities.

Amendment

(5) As mentioned in the Commission’s communication of 24 October 2007, entitled: “Stepping up the fight against undeclared work, undeclared work has, since 1998, been defined at Union level as ‘any paid activities that are lawful as regards their nature but not declared to public authorities, taking into account differences in the regulatory systems of the Member States, thus excluding all illegal activities. That definition should be updated in order to reflect recent labour market developments.


Amendment 6

Proposal for a decision
Recital 5 a (new)
(5a) Definitions of undeclared work vary among Member States, as do national regulations. Furthermore, undeclared work may take various forms, depending on the economic, administrative, financial and social context, making it difficult to quantify the problem at Union level. Undeclared work also has very different patterns depending on the nature and type of work and the worker concerned. Undeclared work performed by domestic workers, mainly women, poses a particular challenge in this context as it is solitary work and, by its nature, invisible. Measures to tackle undeclared work should be tailored to take account of those differences.

Amendment 7
Proposal for a decision
Recital 5 b (new)

(5b) Enhanced cooperation in tackling undeclared work should contribute to a level playing field and benefit economic actors who do not resort to undeclared work. The scope of the Platform should extend to all existing forms of undeclared work without distinction with the aim of extricating the Union from the black economy, creating quality and sustainable employment, boosting economic recovery and achieving the Union’s employment and social objectives.

Amendment 8
Proposal for a decision
Recital 5 c (new)
(5c) The undeclared economy is considerable in size, being equivalent to over 18 % of the Union's GDP. However, it varies significantly across Member States, ranging from below 8 % to over 30 % of GDP. According to Eurofound, there is also a clear north-south and east-west divide within the Union.

\[1^a\] Eurofound report on Combating Undeclared Work in 27 European Union Member States and Norway (2013).

Amendment 9
Proposal for a decision
Recital 6

(6) The abuse of the status of self-employed, either at national level or in cross-border situations, is frequently associated with undeclared work. Bogus self-employment occurs when a person is declared as self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Bogus self-employment is, therefore, falsely declared work and should come under the scope of the Platform.

(6) In addition to undeclared work, the Platform should deal with falsely declared work, which refers to paid activities that are lawful as regards their nature, but are not declared correctly to public authorities. A specific form of undeclared work is the abuse of the status of self-employed, either at national level or in cross-border situations. Bogus self-employment occurs when a person is declared as self-employed while fulfilling the conditions characteristic of an employment relationship in order to avoid certain legal or fiscal obligations. Bogus self-employment is, therefore, falsely declared work. It should be noted, however, that definitions and legislation regarding self-employment vary between Member States. Bogus self-employment and undeclared work are key activities of the black economy. The increasing phenomena of bogus self-employment and
undeclared work should therefore be addressed by the Platform and the main risks of fraud should be identified.

Amendment 10
Proposal for a decision
Recital 6 a (new)

_text proposed by the Commission_

(6a) Letter box companies are companies which have been set up with the purpose of benefitting from legislative loopholes while not, themselves, providing any service to clients. They are a front for services provided by their owners. Letter box companies should therefore be considered to be a facet of undeclared work and should be dealt with within the scope of the Platform.

Amendment 11
Proposal for a decision
Recital 6 b (new)

_text proposed by the Commission_

(6b) Undeclared work at national and at cross-border level are two distinct forms of undeclared work. Undeclared work can contribute to the phenomenon known as social dumping, including by way of salary reductions in the Member States where the services are offered.

Amendment 12
Proposal for a decision
Recital 6 c (new)

_text proposed by the Commission_

(6c) Undeclared work has serious implications for the workers concerned,
who find themselves having to accept precarious and sometimes hazardous working conditions, much lower wages, severe infringements of labour rights and greatly reduced protection under labour and social protection law, thus depriving them of adequate social benefits, pension rights and access to healthcare, as well as skills development and life-long learning opportunities. The situation is even more serious in the case of minors.

Justification

The original Commission proposal regarding Recital 7 has been split up unto two recitals, respectively 6c and 7

Amendment 13

Proposal for a decision
Recital 7

Text proposed by the Commission

(7) Undeclared work has serious budgetary implications through decreased tax and social security revenues. It has negative impacts on employment, productivity, compliance with working conditions' standards, skills development and life-long learning. It undermines the financial sustainability of social protection systems, deprives workers of adequate social benefits and results in lower pension rights and less access to healthcare.

Amendment

(7) At the same time, undeclared work has serious budgetary implications through decreased tax and social security revenues, thus undermining the financial sustainability of social protection systems. Furthermore, it negatively impacts on both employment and productivity, leading to unfair competition, which distorts the market and has damaging effects on the economy in general. The Platform should pay particular attention to the fact that SMEs, which make up the large majority of Union undertakings, are particularly affected by that problem. In addition, illegal drawing of benefits and social dumping may be among the direct consequences of undeclared work.

Amendment 14

Proposal for a decision
Recital 7 a (new)
Amendment 15

Proposal for a decision
Recital 7 b (new)

_text proposed by the Commission_

(7a) Undeclared work has different effects on different social groups. There should be a particular focus on the most vulnerable, such as migrants and women, who are often over-represented in sectors affected by undeclared work. As working conditions and the motives of employers and workers for engaging in undeclared work vary between sectors and between countries, a wide range of specific policy approaches is necessary to tackle the problem.

Amendment 16

Proposal for a decision
Recital 8

_text proposed by the Commission_

(7b) Enhanced cooperation between Member States not only allows the problem to be addressed from a fiscal point of view but also enables the exchange of best practices on social protection, such as pension rights and access to healthcare, including of those groups of undeclared workers that are in a particularly vulnerable position or performing work not even considered as undeclared in all Member States, such as informal childcare or care for elderly family members provided in close family networks, mainly by women.
(8) A wide range of policy approaches and measures to tackle undeclared work have been introduced across the Member States. Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. The Platform will not prevent the application of bilateral agreements or arrangements concerning administrative cooperation.

(8) A wide range of policy approaches and measures to tackle the problem of undeclared work have been introduced across the Member States, yet a holistic approach is often still missing. Deterrence, which seeks to bring about compliance by detecting and penalising non-compliance, remains the dominant approach across the majority of Member States. Many Member States have already put in place effective measures by which to tackle undeclared work particularly in relation to labour market, tax and employment law abuses by ensuring that the employers of undeclared workers face tougher enforcement action and stronger penalties. The principle that the burden of repayment for any unpaid social security and taxes rests with the employer, as well as the threat of additional inspections and fines which clearly outweigh any profits are important deterrents that discourage employers from operating in the informal economy.

Amendment 17
Proposal for a decision
Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Over the last few years there has also been a perceptible uptake of an enabling approach that encourages and promotes declared work. An interactive knowledge bank, such as that developed by Eurofound, could help Member States to identify new approaches in that respect.

Amendment 18
Proposal for a decision
Recital 8 b (new)
(8b) Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. The Platform should accompany those actions and should help to improve the application of bilateral and multilateral agreements or arrangements concerning administrative cooperation.

(8c) The Platform should fully respect and act in accordance with the Charter of Fundamental Rights of the European Union, in particular Articles 5, 15, 28 and 31 thereof, and the relevant conventions and recommendations of the ILO, in particular Convention No 81 concerning Labour Inspection in Industry and Commerce, Convention No 189 concerning decent work for domestic workers, Convention No 150 concerning Labour Administration: Role, Functions and Organisation and Recommendation No 198 concerning the employment relationship.

(9) EU level cooperation remains far from comprehensive, both in terms of the Member States involved and the issues covered. There is no formal mechanism in place for cross-border cooperation between Member States’ relevant
authorities to address issues related to undeclared work.

Member States' relevant authorities to address issues related to undeclared work. The work of the Platform should draw on the work done by other bodies and should make use of the Internal Market Information System (IMI), where appropriate. Furthermore, it should take account of the differences regarding national law relating to undeclared work and encourage, where necessary, the provision of adequate resources for labour inspections to improve cross-border enforcement.

Amendment 21
Proposal for a decision
Recital 10

Text proposed by the Commission

(10) The strengthening of cooperation among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively.

Amendment

(10) The strengthening of active cooperation based, where required, on mutual assistance, transparency and confidentiality among Member States at Union level is necessary to help Member States tackle undeclared work more efficiently and effectively, while respecting the freedom to provide services, the freedom of movement for workers and the principle of non-discrimination as well as workers’ rights and the social aquis. The goal of such strengthened cooperation should be to encourage declared work and to make undeclared work the less attractive option.

Amendment 22
Proposal for a decision
Recital 10 a (new)

Text proposed by the Commission

(10) The strengthening of cooperation based, where required, on mutual assistance, transparency and confidentiality among Member States at Union level is necessary to help Member States tackle undeclared work more efficiently and effectively, while respecting the freedom to provide services, the freedom of movement for workers and the principle of non-discrimination as well as workers’ rights and the social aquis. The goal of such strengthened cooperation should be to encourage declared work and to make undeclared work the less attractive option.

Amendment
(10a) National labour inspectorates and other relevant bodies, in particular enforcement authorities, often need immediate access to data and information held by foreign national authorities. An efficient and rapid exchange of data is therefore essential to curb undeclared work, while recognising the importance of data protection.

Amendment 23
Proposal for a decision
Recital 10 b (new)

Text proposed by the Commission

(10b) National labour inspection systems should be organised in an efficient manner and should have sufficient qualified staff at their disposal in order to function effectively and to carry out systematic and frequent controls.

Amendment 24
Proposal for a decision
Recital 11

Text proposed by the Commission

(11) The Platform will aim to facilitate the exchange of best practices and information, provide a framework at EU level to develop expertise and analysis, and improve operational coordination of actions between the different national enforcement authorities of the Member States.

Amendment

(11) The Platform should contribute to eliminating abuse of the principle of the free movement through undeclared work. To that end it should aim to facilitate and improve the exchange of experience and best practices and information, as well as to developing, at Union level common understanding, expertise and analysis, including on new and emerging employment relationships. It should also enhance knowledge through the creation of a knowledge bank, study ways to improve data exchange, suggest joint training sessions and exchanges between labour inspectorates, foster effective
control mechanisms and contribute to the improvement of operational coordination between the different national enforcement bodies of the Member States. Additionally, the Platform will facilitate the sharing of best practices and information.

Amendment 25
Proposal for a decision
Recital 11 a (new)

Text proposed by the Commission

(11a) Based on the information gathered in its work, the Platform should propose standards and provide advice for development of law relating to undeclared work where necessary and develop its capacities as advisor on required policy actions and instruments.

Amendment 26
Proposal for a decision
Recital 11 b (new)

Text proposed by the Commission

(11b) The identification, analysis and solving of practical problems relating to the enforcement of Union law on working conditions and social protection at work fall mainly within the competence of Member States and their national labour inspection systems. Close and effective cooperation at Union level is therefore required.

Amendment 27
Proposal for a decision
Recital 12
(12) The Platform should make use of all relevant sources of information, in particular studies, bilateral agreements concluded between Member States and multilateral cooperation projects and create synergies between existing EU level instruments and structures to maximise the deterrent or preventive effect of these measures. The operational coordination of actions of the Member States could take the form of joint trainings, peer reviews and solutions for data sharing. European campaigns or common strategies could increase the awareness of undeclared work.

(12) The Platform should make use of all relevant sources of information, in particular studies, bilateral agreements concluded between Member States and multilateral cooperation projects and create synergies between existing EU level instruments and structures to maximise the deterrent or preventive effect of these measures. The operational coordination of actions of the Member States could take the form of joint trainings, peer reviews and solutions for data sharing. European campaigns or common strategies could increase the awareness of undeclared work, building on policies and strategies to raise awareness of undeclared work which already exist to varying degrees in the Member States. The Platform should also involve non-governmental actors as important sources of information. It should contribute to the strengthening of the cooperation between Member States including by suggesting innovative approaches of cross-border cooperation and enforcement as well as by evaluating experiences of such cooperation to draw conclusions for future policy action.

Amendment 28
Proposal for a decision Recital 12 a (new)

(12a) The Platform should be more than a passive mapping and assessment body. It should also actively contribute towards preventing undeclared work by developing practical guidelines against organised forms and networks of undeclared work and by keeping concerned authorities and actors informed. To that end the Platform should discuss approaches and suggest
measures and instruments, which could contribute towards better preventing, controlling and penalising organised forms and networks of undeclared work and facilitate compliance with related law.

Amendment 29

Proposal for a decision
Recital 13

Text proposed by the Commission

(13) *Three* different national enforcement *authorities* are *mainly* involved with undeclared work: labour inspectorates, social security inspectorates and tax authorities. In some cases, migration authorities and employment services as well as customs authorities, the police, the public prosecutor's office and the social partners are also involved.

Amendment

(13) *Often several* different national enforcement *bodies and actors* are involved with *tackling* undeclared work, *including* labour inspectorates, social security inspectorates and *social security institutions, health and safety inspectorates and* tax authorities. In some cases migration authorities and employment services as well as customs authorities, the police, the public prosecutor’s office and the social partners are also involved.

Amendment 30

Proposal for a decision
Recital 14

Text proposed by the Commission

(14) In order to address undeclared work comprehensively and successfully, a policy mix is to be implemented in the Member States, *that is facilitated by* structured cooperation between relevant *authorities*. The cooperation should include all national authorities which are leading and/or active in *the prevention and/or deterrence of* undeclared work.

Amendment

(14) In order to address undeclared work comprehensively and successfully, *an individually tailored* policy mix *should* be implemented in the Member States, *based on* structured cooperation between *all* relevant *bodies*. The cooperation should include all national authorities, *representatives of the social partners, and may, where appropriate, include also other actors* which are leading and/or active in *tackling* undeclared work *and protecting undeclared workers. Support*
for the cooperation between relevant non-public actors is also essential in this context.

Amendment 31
Proposal for a decision
Recital 14 a (new)

Text proposed by the Commission

(14a) In order to ensure the effectiveness and success of the Platform, the role played by the labour inspectorates in the Member States should be enhanced.

Amendment 32
Proposal for a decision
Recital 15

Text proposed by the Commission

(15) To achieve its objectives, the Platform should be supported by a 'Single point of contact' in each Member State who should have the necessary authority to liaise with national authorities dealing with the multifaceted aspects of undeclared work.

Amendment 33
Proposal for a decision
Recital 15 a (new)

Text proposed by the Commission

(15a) The senior representatives should liaise with all enforcement bodies which are involved in the tackling of undeclared work regarding the activities of the Platform thereby involving all
stakeholders and facilitating their contribution to the activities of the Platform or its working groups if issues discussed involve their field of competence.

Amendment 34
Proposal for a decision
Recital 16

Text proposed by the Commission

(16) The Platform should involve the social partners at EU level, both cross-industry and in those sectors more severely affected by undeclared work, and cooperate with relevant international organisations, such as the International Labour Organisation (ILO), and Union decentralised agencies, in particular Eurofound and European Agency for Safety and Health at Work. The involvement of Eurofound and European Agency for Safety and Health at Work in the work of the Platform as observers will not extend their existing mandates.

Amendment 35
Proposal for a decision
Recital 16 a (new)

Text proposed by the Commission

(16a) Eurofound should play a central role in the creation of an interactive knowledge bank aiming to enhance cooperation in tackling undeclared work, and in assessing the impact of undeclared work on the health and safety of workers.
Amendment 36
Proposal for a decision
Recital 16 b (new)

Text proposed by the Commission

(16b) The Committee of Senior Labour Inspectors (SLIC) was set up by Commission Decision 95/319/EC\(^1a\) in order to work on problems relating to the enforcement by the Member States of the Union law on health and safety at work. The Platform should also involve a SLIC observer in order to avoid overlaps and to create synergies.


Amendment 37
Proposal for a decision
Recital 19

Text proposed by the Commission

(19) The Platform can establish working groups to examine specific issues and should be able to rely on the expertise of professionals with specific competences.

Amendment

(19) The Platform can establish working groups to examine specific issues, such as targeted policies for workers in the informal sector who are young, elderly or female, and, in particular women with disabilities and female immigrants, as well as the causes of undeclared work, and should be able to rely on the expertise of professionals with specific competences.

Justification

Work carried out in private households, including household services such as cleaning or child and elderly care, is often unregulated and executed by women. From the outset of the Platform, a working group on the working conditions of women in undeclared work and the effects on their social security should be foreseen. It is also important that the Platform looks...
into recurring reasons for workers to shift into undeclared works and Member States discuss policies to tackle these causes.

Amendment 38
Proposal for a decision
Recital 20

Text proposed by the Commission

(20) The Platform will cooperate with the EU level relevant expert groups and committees whose work has links with undeclared work.

Amendment

(20) The Platform should cooperate with relevant expert groups, committees and stakeholders whose activities have links with tackling undeclared work.

Amendment 39
Proposal for a decision
Recital 20 a (new)

Text proposed by the Commission

(20a) The work of the Platform should provide input to the Commission’s Joint Employment Report, regarding the tackling of undeclared work.

Amendment

Amendment 40
Proposal for a decision
Recital 21

Text proposed by the Commission

(21) The Platform and its tasks should be funded through the PROGRESS axis of the programme for Employment and Social Innovation (EaSI) within the appropriations set by the budgetary authority.

Amendment

(21) The Platform and its tasks should be funded through the PROGRESS axis of the programme for Employment and Social Innovation (EaSI) within the appropriations set by the budgetary authority. The Commission should ensure that the Platform uses its financial resources for its work in a transparent and efficient way.
Proposal for a decision
Recital 22

Text proposed by the Commission

(22) The Commission will take the necessary administrative steps to set up the network.

Amendment

42

Proposal for a decision
Recital 22 a (new)

Text proposed by the Commission

(22a) Although the Platform is a useful first step towards better cooperation among Member States in the fight against undeclared work, it should not be seen as the only possible Union instrument against that phenomenon. In particular, the Commission should continue to monitor existing national and Union law in order to determine whether it directly or indirectly encourages undeclared work,

Amendment 43

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

(I) A Platform to enhance EU cooperation in the prevention and deterrence of undeclared work, hereinafter referred to as "the Platform", is hereby established.

Amendment

44

Proposal for a decision
Article 1 – paragraph 2 – point a

Text proposed by the Commission

(a) **national enforcement authorities as nominated by all the Member States**, Amendment

(a) **one senior representative nominated by each Member State, representing national enforcement bodies, and/or other actors involved in the tackling of undeclared work, with a mandate to participate in all activities related to the Platform on behalf of the Member State;**

Amendment 45

Proposal for a decision
Article 1 – paragraph 2 – point b a new

Text proposed by the Commission

Amendment

(ba) **a maximum of four representatives of cross-industry social partners organised at Union level nominated by the social partners themselves, equally representing both sides of industry.**

Amendment 46

Proposal for a decision
Article 1 – paragraph 3 – introductory part

Text proposed by the Commission

Amendment

(3) The following may attend the meetings of the Platform as observers under the conditions set in its rules of procedure:

3. The following **stakeholders should be actively involved** in the meetings of the Platform as observers *and their contributions shall be taken into due consideration* under the conditions set in its rules of procedure:

Amendment 47

Proposal for a decision
Article 1 – paragraph 3 – point a

Text proposed by the Commission

Amendment

(a) representatives of **the cross-industry**

(a) **a maximum of 14** representatives of
social partners at Union level, as well as social partners in sectors with a high incidence of undeclared work, nominated by the social partners themselves, equally representing both sides of industry;

Amendment 48

Proposal for a decision
Article 1 – paragraph 3 – points b a to b d (new)

Text proposed by the Commission

Amendment

(ba) a representative of the Committee of Senior Labour Inspectors (SLIC),


(bc) a representative of the Public Employment Services Network (PES)

(bc) a representative of the European Economic and Social Committee (EESC), and a representative of the Committee of the Regions (CoR),

(bd) a representative of the Organisation for Economic Co-operation and Development (OECD)

1a OJ L …

Amendment 49

Proposal for a decision
Article 1 – paragraph 3 – point d

Text proposed by the Commission

Amendment

(d) representatives of EEA states.

(d) a representative of each third-country EEA state.
Amendment 50

Proposal for a decision
Article 1a (new)

Text proposed by the Commission

Amendment

Article 1a

Definitions

For the purpose of this Decision, ‘tackling undeclared work’ means the prevention, deterrence and combating of undeclared work as well as encouraging and promoting declared work.

Amendment 51

Proposal for a decision
Article 2

Text proposed by the Commission

Amendment

Article 2

Objectives

The overriding objective of the Platform shall be to provide value-added input at Union level to the efforts of Member States and Union institutions to successfully tackle the complex problem of undeclared work and its manifold implications and consequences including encouraging and promoting declared work.

The Platform, as set out in Article 1 (1), shall contribute to better enforcement of EU and national law, to the reduction of undeclared work and the emergence of formal jobs, hence avoiding the deterioration of quality of work, and to promote integration in the labour market and social inclusion by:

The Platform, as set out in Article 1 (1), shall, to that end, contribute to an improvement in, and better enforcement of, Union and national law, to the reduction of undeclared work and the emergence of formal jobs. It shall thus help to achieve the Union's employment targets, providing a more effective Union framework for employment and workplace health and safety, thereby avoiding the deterioration of quality of work, it shall promote integration in the
(a) improving cooperation between Member States' different enforcement authorities at EU level to prevent and deter undeclared work, including bogus self-employment, more efficiently and effectively,

(b) improving Member States' different enforcement authorities' technical capacity to tackle cross-border aspects of undeclared work,

(c) increasing public awareness on the urgency of action and encouraging Member States to step up their efforts in dealing with undeclared work.

Amendment 52
Proposal for a decision
Article 3 – paragraph 1 – point c

Text proposed by the Commission
(c) Coordinate cross-border operational actions.

Amendment
(c) Encourage and facilitate practical, effective and efficient cross-border operational actions;

Amendment 53
Proposal for a decision
Article 3 – paragraph 1 – point c a (new)

Text proposed by the Commission
(ca) Contribute to a horizontal understanding of matters relating to undeclared work.
Amendment 54

Proposal for a decision
Article 4

Text proposed by the Commission

Article 4
Tasks
(1) For the execution of its mission, the platform shall in particular carry out the following tasks:

(a) Improve the knowledge of undeclared work by means of common concepts, measurement tools and promotion of joint comparative analysis and related relevant indicators,

(b) Develop the analysis of effectiveness of different policy measures in curbing the incidence of undeclared work, including preventive and punitive as well as deterrence measures in general,

(c) Establish tools, for instance a knowledge bank of different practices/measures, including bilateral agreements used in the Member States to deter and prevent undeclared work,

Amendment

Article 4
Tasks
(1) For the execution of its mission, the Platform shall in particular carry out the following tasks:

(a) Improve the knowledge of all forms of undeclared work, also with regard to causes and regional differences, by means of common concepts, including comprehensive definitions of existing and new forms of undeclared work, indicators and methodologies for data collection, measurement tools and promotion of joint comparative analysis and research;

(aa) Improve the knowledge and mutual understanding of different national labour inspection systems and practices to tackle undeclared work, the consequences of undeclared work, including cross-border undeclared work, with regard to unfair competition and market distortions, as well as the precarious working conditions endured by persons in undeclared work;

(b) Analyse the effectiveness and consequences, of different policy measures, such as prevention and deterrence as well as enabling measures encouraging and promoting declared work, in curbing the incidence of undeclared work;

(c) Establish efficient tools, for instance an interactive knowledge bank of different practices/measures based on the application in different labour market models, including bilateral and multilateral agreements used in the Member States to tackle undeclared work;
(d) **Adopt non-binding** guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work,

(e) Develop **forms of cooperation increasing the technical capacity to tackle** cross-border aspects of undeclared work by **adopting a common framework for joint operations for inspections and exchange of staff,**

(f) **Examine ways to** improve data sharing in compliance with the Union data protection rules, including exploring possibilities to use of the Internal Market Information System (IMI) and the Electronic Exchange of Social Security Information (EESSI).

(g) Develop permanent training capacity for enforcement authorities and adopt a **common framework for carrying out joint trainings,**

(h) Organise peer reviews to follow Member States progress when fighting undeclared work, including support for the implementation of country-specific recommendations related to fight or prevent undeclared work issued by the Council.

(d) **Develop guidelines for enforcement**, handbooks of good practice and common principles of inspections to tackle undeclared work and **monitor progress made on the implementation of guidelines;**

(c) Develop close cooperation **in order to improve the capability of national labour inspection systems regarding controls and tackling** cross-border aspects of undeclared work by **means of actions such as** joint operations, **relevant databases and staff exchanges,**

(ea) **Draw up and publish information to facilitate the activities of national labour inspection systems,**

(fa) **Contribute to the identification of areas related to undeclared work where Union legislation is not achieving its intended objectives.**

(g) Develop and improve the permanent training capacity for enforcement authorities and adopt a common framework for carrying out joint training in order to **help Member States to fulfil their obligations, amongst others those under ILO Convention No 81;**

(h) Organise peer reviews to follow Member States progress when fighting undeclared work, including support for the implementation of country-specific recommendations related to fight or prevent undeclared work issued by the Council and promote appropriate action;
(ha) Make proposals to the Commission, to the European Parliament and to the Council for inclusion in the country-specific recommendations of appropriate action addressing the particular aspects of tackling undeclared work as well as the effects of non-action in the Member States concerned;

(hb) Provide opinions and proposals to the Commission, to the European Parliament or to the Council on issues relating to better regulation and the enforcement of Union law on working conditions and social protection in Member States relating to the tackling of undeclared work as well as to the effects of non-action;

(hc) Encourage active cooperation between the enforcement authorities of Member States and third countries where appropriate, in order to resolve problems related to undeclared work involving those third countries;

(i) Increase awareness of the problem by carrying out common activities such as European Campaigns and adopting regional or EU-wide strategies, including sectoral approaches.

(2) In carrying out its tasks, the Platform will make use of all relevant sources of information, including studies and multilateral cooperation projects and take into account relevant Union instruments and structures, as well the experience of relevant bilateral agreements. It will establish appropriate cooperation with Eurofound and EU-OSHA.

(ii) Increase awareness of the problem by carrying out common activities such as European Campaigns and adopting regional or Union-wide strategies, including sectoral approaches;

(ia) Encourage national authorities and other bodies to provide advice and information to workers who have been victimised by practices of undeclared work.

(2a) The Platform shall establish appropriate cooperation with Eurofound, particularly with regard to the
development of an interactive knowledge bank, as an additional task of the agency, as well as with EU-OSHA.

---


Amendment 55

Proposal for a decision

Article 5

Text proposed by the Commission

Article 5

Single point of contact

(1) Each Member State shall appoint one single point of contact as a member of the Platform. They may also appoint one alternate member.

(2) In appointing their representatives, Member States should involve all public authorities having a role in the prevention and/or deterrence of undeclared work, such as labour inspectorates, social security authorities, tax authorities, employment services and migration authorities, hereinafter referred to as "enforcement authorities". They may also, in accordance with national law and/or practice, involve the social partners.

(3) Member States shall provide the Commission with the list and contact

Amendment

Article 5

Senior representatives

(1) Each Member State shall appoint a senior representative as referred to in Article 1(2)(a) as member of the Platform. It may also appoint a substitute to attend the meetings of the Platform where necessary.

(2) In appointing a senior representative and a substitute, Member States should involve all relevant bodies having a role in the tackling of undeclared work in a domestic or cross-border context, such as labour inspectorates, social security authorities, tax authorities, employment services and migration authorities, hereinafter referred to as "enforcement authorities". They should also, in accordance with national law and/or practice, involve the social partners and other relevant actors.

(3) Member States shall provide the Commission with the list and contact
details of all enforcement authorities which are involved in the prevention and/or deterrence of undeclared work.

(4) Single points of contact shall liaise with all enforcement authorities which are involved in the prevention and/or deterrence of undeclared work regarding the activities of the Platform and guarantee their participation at the meetings and/or contribution to the activities of the Platform or its working groups if issues discussed involve their field of competence.

(4) The senior representatives referred to in Article 1(2)(a) shall liaise regularly with all national enforcement bodies and, in accordance with national law or practice, the social partners and other relevant actors which are involved in tackling undeclared work.

Amendment 56
Proposal for a decision
Article 6

Text proposed by the Commission

Amendment

Article 6

Representatives of the social partners

(1) Representatives of the social partners at cross-industry level, as well as from sectors with high incidence of undeclared work may attend meetings of the Platform as observers, according to the procedures determined by their organisations.

(2) On the basis of the proposals from cross-industry and sectoral social partners at Union level, this group of observers shall be composed of:

(a) A maximum of 8 observers representing social partners at cross-industry level (divided evenly between employers' and workers' organisations),

(b) A maximum of 10 observers representing social partners in sectors with a high incidence of undeclared work (divided evenly between employers' and
workers’ organisations).

Amendment 57

Proposal for a decision

Article 7

Text proposed by the Commission

Article 7

Operation

(1) The Commission shall coordinate the work of the Platform and chair its meetings.

(2) For the execution of its mission, the Platform shall adopt by majority decision:

(a) the rules of procedure, containing, inter alia, the decision-making arrangements of the Platform;

(b) a two-year work programme of the Platform setting out, inter alia, its detailed tasks and regular reports of the Platform in every two years,

(c) the establishment of working groups to examine issues specified in work programmes of the Platform. Such working groups shall be dissolved as soon as their mandates are fulfilled.

(3) Experts with specific competence in a subject under discussion may be invited on a case-by-case basis to participate in the Platform's or working group's deliberations.

Amendment

Article 7

Operation

(1) The Commission shall coordinate the work of the Platform and the Commission representative to the Platform shall co-chair its meetings. The members of the Platform shall elect from among their number another co-chair of equal standing as well as two substitutes. The co-chairs and the substitutes form the bureau of the Platform (“the Bureau”).

(1a) The Platform shall meet at least twice a year.

(2) For the execution of its mission, the Platform shall adopt by majority decision:

(a) the rules of procedure, containing, inter alia, the decision-making arrangements of the Platform;

(b) an annual and a multiannual work programme of the Platform setting out, inter alia, the detailed tasks of the Platform and taking into account the activities undertaken in the previous year(s);

(c) the establishment of working groups to examine issues specified in work programmes of the Platform, which shall be chaired by a member of the Platform and shall be dissolved as soon as their mandates are fulfilled;

(ca) an annual report on its activities.

(3) Experts with specific competence in a subject under discussion may be invited by the Bureau on a case-by-case basis to participate in the Platform's or working
if this is useful and/or necessary.

(4) The Platform shall be assisted by a Secretariat provided by the Commission. The Secretariat shall prepare the meetings, the work programmes of the Platform and its reports.

(4a) The work of the Platform shall be conducted in accordance with the principle of transparency as laid down in Article 15 TFEU.


(5) The Platform shall transmit the work programmes referred to in paragraph 2(b) and the reports referred to in paragraph 2(ca) to the Commission. The Commission shall submit the work programmes and reports to the European Parliament, to the Council, to the European Economic and Social Committee and to the Committee of the Regions.

Amendment 58

Proposal for a decision

Article 8

Text proposed by the Commission

Article 8

Cooperation

The Platform shall work, as appropriate, in cooperation with other relevant Union level expert groups and committees, whose work has a link with undeclared work, in particular the Senior Labour Inspectors Committee (SLIC), the Expert Committee on Posting of Workers, the Administrative Commission for Social Security Coordination, the Employment Committee (EMCO), the Social Protection Committee (SPC) and the Working Group on Administrative Cooperation in the field of group's deliberations if this is considered to be useful or necessary.

Amendment

Article 8

Cooperation

1. The Platform shall work, as appropriate, in cooperation with other relevant Union level expert groups and committees, whose work has a link with undeclared work, in particular the Senior Labour Inspectors Committee (SLIC), the Expert Committee on Posting of Workers, the Administrative Commission for Social Security Coordination, the HSNCP EU Platform, the Employment Committee (EMCO), the Social Protection Committee (SPC) and the Working Group on Administrative
Taxation. Joint meetings may also be organised. Cooperation in the field of Taxation. In the interest of more efficient working and enhanced impact, joint meetings may be organised. The minutes of such meetings shall be submitted to the European Parliament and to the Council within a reasonable time.

1a. Duplication of work done by other bodies at Union level shall be avoided. To that end transparency and information sharing is essential.

Amendment 59

Proposal for a decision
Article 10

Text proposed by the Commission

The global resources for the implementation of this Decision shall be established within the framework of the programme for Employment and Social Innovation (EaSI), the annual appropriations of which shall be authorised by the budgetary authority within the limits of the Financial Framework.

Amendment

The global resources for the implementation of this Decision shall be established within the framework of the programme for Employment and Social Innovation (EaSI), the annual appropriations of which shall be authorised by the budgetary authority within the limits of the Financial Framework. The Commission shall ensure that the financial resources of the EaSI are used in a transparent and efficient way.

Amendment 60

Proposal for a decision
Article 11

Text proposed by the Commission

Four years after its entry into force, the Commission shall submit a report on the application of this Decision to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The report shall in particular assess to what extent the Platform has contributed to the

Amendment

By …* [Four years after the entry into force of this Decision], the Commission shall, after consulting the Platform, submit a report on the application and the added value of this Decision to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The
achievement of the objectives set out in Article 2 and fulfilled the tasks as set out in Article 3 and in work programmes of the Platform.

The report shall in particular assess to what extent the Platform has contributed to the achievement of the objectives set out in Article 2, fulfilled its mission as set out in Article 3, carried out the tasks as set out in Article 4 and addressed the priorities set out in the work programmes of the Platform. It shall also identify shortcomings and submit proposals on the functioning of the Platform if appropriate.

Amendment 61

Proposal for a decision
Article 11 a (new)

Text proposed by the Commission

Amendment

Article 11 a

Defence of rights

Persons bringing cases of undeclared work to the attention of the Platform, either directly or via national enforcement authorities shall be protected against any unfavourable treatment by their employer.
EXPLANATORY STATEMENT

The 8th European Parliament at the very start of its mandate is called upon to take up one of the most disturbing and complex problems - that of undeclared work. The complexity of the challenge stems from its very nature, i.e. - any paid activities that by their nature are lawful, however remain undeclared before the proper public authorities, or, in the case of bogus self-employment, falsely declared.

In order to successfully tackle the manifold problem of undeclared work, the first step therefore must be to objectively consider its true nature. Such consideration in fact reveals that it is actually the avoidance of proper registration that constitutes the direct cause of the broad range of extremely negative implications and consequences associated with it.

In its proposal for a Decision of the European Parliament and of the Council on establishing a European Platform, the Commission has given precedence to the enforcement approach aimed at preventing and deterring undeclared work. This envisages enhanced cooperation for "combatting" labour law infringements, tax avoidance and breaches of social security requirements - doubtless issues of grave concern in themselves.

However, there is growing realization that enforcement must be coupled with pro-active enabling policies and measures targeted towards the regularization of jobs that remain undeclared, such as income tax relief, tax reduction and subsidy schemes. The undiminishing practices of undeclared work throughout Member States demonstrate that there is both demand and supply for the jobs involved - hence the need not to suppress, but rather to integrate them into the formal range of rules and regulations of the social market economy.

Therefore, the defining purpose and objective of the new European Platform should be to provide clear value-added at the Union level to efforts to not only prevent and deter undeclared work but, perhaps even more importantly, to regularize the jobs involved. The need for purposeful pro-active policies stems from the necessity to boost production, in order to counter persisting low growth and deflation.

Such policies become all the more necessary in light of recent findings from research by Eurofound indicating a strong correlation between the size and growth of the undeclared economy on the one hand, and austerity policies of drastic budget cuts, increasing deregulation and a minimised role of the state, on the other. The same research indicates that the alternative approach of bolstering state expenditure on the labour market and on welfare provisions is strongly correlated with significantly smaller undeclared economies.

It ought to be recognized that the Platform shall be a venue gathering and sharing trustworthy information on best practices and persisting problems and for cooperating in outlining and implementing effective enforcement and enabling measures.

There can be no complacency regarding the urgency of action that must be undertaken, given the multiple and highly negative consequences of undeclared work - severe exploitation and precarious working and living conditions for millions of workers throughout the Union, grossly unfair competition that is deeply disruptive to the single market, as well as serious losses to the budgets and social security systems of Member States. And it should also be clear that it is only the concerted effort of Member States and the social partners, together with other stakeholders, including at the regional level, interacting with the institutions and capabilities of the EU, that are able to successfully overcome this whole range of most severe
challenges and deficiencies.

Such understanding of the true nature of the problem of undeclared work and of the proposed functions of the Platform should make it possible to reach agreement on the range of issues regarding membership, participation, procedures and decision-making. It should also serve as the basis for establishing a work program that fully responds to the pressing need for purposeful action, in order to reverse the present trend of growing undeclared activities in favour of increases of regularized jobs that provide decent livelihoods and needed services to customers, while contributing to fair market competition and sustainable fiscal stabilization.
OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on Employment and Social Affairs


Rapporteur: Dennis de Jong

SHORT JUSTIFICATION

In its ‘Resolution on effective labour inspections’ of January 2014, the European Parliament called for stronger cooperation and reinforcement of labour inspectorates to fight undeclared work.

In its proposal of April 2014, the Commission proposes to establish a European Platform. This Platform should improve cooperation at the EU level in the prevention and deterrence of undeclared work. It would bring together various national enforcement bodies involved in the fight against undeclared work, a phenomenon that causes serious damage to working conditions, fair competition and public budgets.

The Rapporteur welcomes the establishment of this Platform, although this measure on its own will not suffice to follow up on the various proposals, including legislative proposals, included in the above-mentioned Resolution. He proposes amendments to make the Platform more effective in its tasks and objectives.

In particular, he considers essential to include falsely declared work in the scope of the Decision. Submitting false data relating to working hours or pay is a form of falsely declared work that cannot be left out of the remit of the Platform.

The Rapporteur is also convinced that the Platform could usefully facilitate joint investigations by Member States. Its practical value will depend to a large extent on the results achieved by this form of operational co-operation. On the other hand, the effects of European awareness raising campaigns are questionable: such campaigns tend to be more effective at national level, in particular, if national social partners are actively contributing to
such campaigns. For this reason, the Rapporteur favours the close involvement of the social partners in the activities of the Platform as well as of the national single contact points.

Last but not least, the Rapporteur considers crucial to involve the European Parliament in the process and request that an independent representative appointed by this Institution is part of the Platform together with the national authorities and the Commission.

AMENDMENTS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a decision

Title

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work.</td>
<td>DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared and falsely declared work.</td>
</tr>
</tbody>
</table>

Justification

Horizontal amendment to the whole text. Including not only bogus self-employment but also other forms of falsely declared work, such as the submission of false data relating to working hours or pay, is essential for the Platform to be able to work effectively.

Amendment 2

Proposal for a decision

Recital 4

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(4) The European Parliament in its resolution on ‘Effective labour inspections as a strategy to improve working conditions in Europe’ welcomed the Commission's initiative to create a European Platform and called for enhanced</td>
<td>(4) The European Parliament in its resolution on Effective labour inspections as a strategy to improve working conditions in Europe welcomed the Commission's initiative to create a European Platform and called for enhanced</td>
</tr>
</tbody>
</table>
cooperation at EU level to fight undeclared work\textsuperscript{27}.

\textsuperscript{27} European Parliament resolution of 14 January 2014 on effective labour inspections as a strategy to improve working conditions in Europe (2013/2112(INI))

\textbf{Amendment 3}

\textbf{Proposal for a decision}

\textbf{Recital 5}

\textit{Text proposed by the Commission}

(5) \textbf{At European level} undeclared work is defined as "any paid activities that are lawful as regards their nature but not declared to public authorities, taking into account differences in the regulatory systems of the Member States"\textsuperscript{7}, thus excluding all illegal activities.

\textit{Amendment}

(5) Undeclared work is defined \textit{in the Commission Communication of 24 October 2007 entitled “Stepping up the fight against undeclared work”} as “any paid activities that are lawful as regards their nature but not declared to public authorities, taking into account differences in the regulatory systems of the Member States”\textsuperscript{7}, thus excluding all illegal activities.

\textsuperscript{7} Communication from the Commission "Stepping up the fight against undeclared work" COM (2007)628 of 24 October 2007

\textbf{Justification}

\textit{The reference to the Commission Communication is clearer and more targeted than a mere reference to ‘at European level’. The text concurs with the draft general approach of the Council.}
Amendment 4
Proposal for a decision
Recital 6

Text proposed by the Commission

(6) The abuse of the status of self-employed, either at national level or in cross-border situations, is frequently associated with undeclared work. Bogus self-employment occurs when a person is declared as self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Bogus self-employment is, therefore, falsely declared work and should come under the scope of the Platform.

Amendment

(6) In addition to undeclared work, the Platform should deal with falsely declared work. That concept refers to paid activities that are lawful as regards their nature, but that are not declared correctly to public authorities. A specific form of falsely declared work is the abuse of the status of self-employed, either at national level or in cross-border situations. Bogus self-employment occurs when a person is declared as self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Bogus self-employment is, therefore, falsely declared work and should come under the scope of the Platform.

Justification

As observed by the EESC, without further explanation bogus self-employment and undeclared work may seem two different subjects. However, bogus self-employment is generally considered to be falsely declared work; hence, there is effectively a close relationship with undeclared work. There may also be other forms of falsely declared work, for example, by submitting false data relating to working hours or pay. In order to take away any misunderstandings about the scope of the decision, it is necessary to clarify that any form of falsely declared work falls under the scope of the Platform.

Amendment 5
Proposal for a decision
Recital 6 a (new)

Text proposed by the Commission

(6a) Undeclared work has serious implications for the workers concerned, who find themselves having to accept precarious working conditions, much lower wages and greatly reduced
protection under labour and social protection legislation, thus depriving them of adequate social benefits, pension rights and access to healthcare, as well as skills development and life-long learning opportunities.

Amendment 6
Proposal for a decision
Recital 7

Text proposed by the Commission

(7) Undeclared work has serious budgetary implications through decreased tax and social security revenues. It has negative impacts on employment, productivity, compliance with working conditions' standards, skills development and life-long learning. It undermines the financial sustainability of social protection systems, deprives workers of adequate social benefits and results in lower pension rights and less access to healthcare.

Amendment

(7) Undeclared work has serious budgetary implications through decreased tax and social security revenues. It has negative impacts on employment, productivity, compliance with working conditions' standards, skills development and life-long learning. It undermines the financial sustainability of social protection systems, deprives workers of adequate social benefits and results in lower pension rights and less access to healthcare. It has negative effects on the functioning of the internal market leading to unfair competition which distorts the market. Undeclared work should be tackled at a Member State level, inter alia through effective fiscal and social enforcement policies.

Amendment 7
Proposal for a decision
Recital 8

Text proposed by the Commission

(8) A wide range of policy approaches and measures to tackle undeclared work have been introduced across the Member States. Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of

Amendment

(8) Undeclared work has negative effects also on the functioning of the internal market. A wide range of policy approaches and measures to tackle undeclared work have been introduced across the Member States. Member States have also concluded
undeclared work. The Platform will not prevent the application of bilateral agreements or arrangements concerning administrative cooperation.

bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. The Platform will not prevent the application of bilateral agreements or arrangements concerning administrative cooperation. The main responsibility for tackling undeclared work should remain with the Member States.

Amendment 8

Proposal for a decision
Recital 10

Text proposed by the Commission

(10) The strengthening of cooperation among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively.

Amendment

(10) The strengthening of active cooperation based on mutual assistance, transparency and confidentiality among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively. The goal of strengthened cooperation is to encourage declared work by making it less bureaucratic and less administrative, thereby ensuring that undeclared work is the less attractive option.

Amendment 9

Proposal for a decision
Recital 10 a (new)

Text proposed by the Commission

(10a) National labour inspectorates and enforcement bodies often need immediate access to data and information held by foreign national authorities. An efficient and rapid exchange of data is therefore essential to curb undeclared work.

Amendment

(10a) National labour inspectorates and enforcement bodies often need immediate access to data and information held by foreign national authorities. An efficient and rapid exchange of data is therefore essential to curb undeclared work.
Amendment 10
Proposal for a decision
Recital 11

Text proposed by the Commission

(11) The Platform will aim to facilitate the exchange of best practices and information, provide a framework at EU level to develop expertise and analysis, and improve operational coordination of actions between the different national enforcement authorities of the Member States.

Amendment

(11) The strengthening of active cooperation based on mutual assistance, transparency and confidentiality among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively. Additionally, the Platform will aim to share best practices of clear and simple regulation between Member States with a view to reducing the risk of unintended errors especially among self-employed persons and SMEs.

Amendment 11
Proposal for a decision
Recital 11 a (new)

Text proposed by the Commission

(11a) The identification, analysis and solving of practical problems relating to the enforcement of Union law on working conditions and social protection at work fall mainly within the competence of national labour inspection systems, which is why they require close and effective cooperation at Union level.

Amendment

Amendment 12
Proposal for a decision
Recital 12

Text proposed by the Commission

(12) The Platform should make use of all relevant sources of information, in particular studies, bilateral agreements

Amendment

(12) The Platform should make use of all relevant sources of information, in particular studies, bilateral agreements
concluded between Member States and multilateral cooperation projects and create synergies between existing EU level instruments and structures to maximise the deterrent or preventive effect of these measures. The operational coordination of actions of the Member States could take the form of joint trainings, peer reviews and solutions for data sharing. European campaigns or common strategies could increase the awareness of undeclared work.

Amendment 13
Proposal for a decision
Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) The Platform should closely monitor the implementation of the new Union rules which could help to combat undeclared work, including Directive 2014/24/EU of the European Parliament and of the Council on public procurement and, in particular, its provisions on subcontracting and abnormally low tenders.

________________________

Amendment 14
Proposal for a decision
Recital 13

Text proposed by the Commission

(13) **Three** different national enforcement authorities are mainly involved with undeclared work: labour inspectorates, social security inspectorates and tax authorities. In some cases, migration authorities and employment services as well as customs authorities, the police, the public prosecutor's office and the social partners are also involved.

Amendment

(13) **Often several** different national enforcement authorities are mainly involved with curbing undeclared work: including labour inspectorates, social security inspectorates, **health and safety inspectorates** and tax authorities. In some cases, migration authorities and employment services as well as customs authorities, the police, the public prosecutor's office and the social partners are also involved.

Amendment 15
Proposal for a decision
Recital 14

Text proposed by the Commission

(14) In order to address undeclared work comprehensively and successfully, a policy mix is to be implemented in the Member States, that is facilitated by structured cooperation between relevant authorities. The cooperation should include all national authorities which are leading and/or active in the prevention and/or deterrence of undeclared work.

Amendment

(14) In order to address undeclared work comprehensively and successfully, a policy mix is to be implemented in the Member States, that is facilitated by structured cooperation between relevant authorities. The **Platform** should include all national authorities and other stakeholders which are leading and/or active in the prevention and/or deterrence of undeclared work. **Member States should remain competent to decide which authorities represent them in the different activities of the Platform.**

Justification

This proposal stems from the draft general approach of the Council and is aimed at clarifying that it is up to the Member States to decide which national authorities will participate on their behalf in the activities of the Platform.
Amendment 16
Proposal for a decision
Recital 16

Text proposed by the Commission

(16) The Platform should involve the social partners at EU level, both cross-industry and in those sectors more severely affected by undeclared work, and cooperate with relevant international organisations, such as the International Labour Organisation (ILO), and Union decentralised agencies, in particular Eurofound and European Agency for Safety and Health at Work. The involvement of Eurofound and European Agency for Safety and Health at Work in the work of the Platform as observers will not extend their existing mandates.

Amendment

(16) The Platform should involve the European Parliament, the social partners at EU level, both cross-industry and in those sectors more severely affected by undeclared work, and cooperate with relevant international organisations, such as the International Labour Organisation (ILO), and Union decentralised agencies, in particular Eurofound and European Agency for Safety and Health at Work. The involvement of Eurofound and European Agency for Safety and Health at Work in the work of the Platform as observers will not extend their existing mandates. The representative from the European Parliament should have observer status in the Platform.

Justification

In line with the amendment on Article 1 (2)(ba) new.

Amendment 17
Proposal for a decision
Recital 17 a (new)

Text proposed by the Commission

(17a) The Commission should publish an annual activity report on the work of the Platform.

Amendment

(17a) The Commission should publish an annual activity report on the work of the Platform.

Justification

In line with the amendment on Article 7(5a) new.
Amendment 18

Proposal for a decision
Recital 21

Text proposed by the Commission

(21) The Platform and its tasks should be funded through the PROGRESS axis of the programme for Employment and Social Innovation (EaSI) within the appropriations set by the budgetary authority.

Amendment

(21) The Platform and its tasks should be funded through the PROGRESS axis of the programme for Employment and Social Innovation (EaSI) within the appropriations set by the budgetary authority. The Commission should ensure that financial resources are used in a transparent and efficient way for the work of the Platform.

Amendment 19

Proposal for a decision
Recital 22

Text proposed by the Commission

(22) The Commission will take the necessary administrative steps to set up the network.

Amendment

(22) The Commission will take the necessary administrative steps to set up the Platform.

Justification

Clarification, also to be found in the draft general approach of the Council.

Amendment 20

Proposal for a decision
Recital 22 a (new)

Text proposed by the Commission

(22a) Although the Platform is a useful first step towards better cooperation among Member States in the fight against undeclared work, it should not be seen as the only possible Union instrument against that phenomenon. In particular, the Commission should continue to

Amendment

(22a) Although the Platform is a useful first step towards better cooperation among Member States in the fight against undeclared work, it should not be seen as the only possible Union instrument against that phenomenon. In particular, the Commission should continue to
monitor existing national and Union law, in order to establish whether this directly or indirectly encourages undeclared work.

Amendment 21

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

(1) A Platform to enhance EU cooperation in the prevention and deterrence of undeclared work, hereinafter referred to as "the Platform", is hereby established.

Amendment

(1) A European Platform to enhance cooperation between Member States at Union level in the prevention and deterrence of undeclared work, hereinafter referred to as "the Platform", is hereby established.

Justification

Clarification of co-operation in accordance with the draft general approach of the Council.

Amendment 22

Proposal for a decision
Article 1 – paragraph 2 – point b a (new)

Text proposed by the Commission

(ba) A Member of the European Parliament who is a member of the Committee responsible and/or an independent representative appointed by the European Parliament,

Amendment

Amendment 23

Proposal for a decision
Article 1 – paragraph 3 – point d

Text proposed by the Commission

(d) representatives of EEA states.

Amendment

(d) one representative of each EEA state.
Amendment 24
Proposal for a decision
Article 2 – paragraph 1 – point a

Text proposed by the Commission

(a) improving *cooperation* between Member States' different enforcement authorities at EU level to prevent and deter undeclared work, including *bogus* self-employment, more efficiently and effectively,

Amendment

(a) improving *effective and close cooperation* between Member States’ different enforcement bodies and other stakeholders at the EU level in order to prevent and deter undeclared work, including *false* self-employment, more efficiently and effectively

Amendment 25
Proposal for a decision
Article 3 – paragraph 1 – point c

Text proposed by the Commission

(c) *Coordinate* cross-border operational actions.

Amendment

(c) *Encourage, initiate, facilitate and promote practical, effective and efficient* cross-border operational actions and *communication between local and regional officials of border regions about such* actions.

Amendment 26
Proposal for a decision
Article 4 – paragraph 1 – point b

Text proposed by the Commission

(b) *Develop the analysis of* effectiveness of different policy measures in curbing the incidence of undeclared work, including *preventive and punitive* as well as *deterrence* measures in general,

Amendment

(b) *Analyse the* effectiveness of different policy measures in curbing the incidence of undeclared work, including *prevention and deterrence* as well as *enabling* measures in general, and *analyse why some Member States and regions have less undeclared work than others,*
Amendment 27
Proposal for a decision
Article 4 – paragraph 1 – point d

Text proposed by the Commission
(d) Adopt non-binding guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work,

Amendment
(d) Develop non-binding guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work,

Justification
Certain elements of the draft general approach of the Council, clarifying the type of cooperation have been included.

Amendment 28
Proposal for a decision
Article 4 – paragraph 1 – point f

Text proposed by the Commission
(f) Examine ways to improve data sharing in compliance with the Union data protection rules, including exploring possibilities to use of the Internal Market Information System (IMI) and the Electronic Exchange of Social Security Information (EESSI).

Amendment
(f) Examine and propose ways to develop a reliable and efficient system of rapid information exchange and improve data sharing in compliance with the Union data protection rules, including exploring possibilities to make use of the Internal Market Information System (IMI) established by Regulation (EU) No 1024/2012 of the European Parliament and of the Council\(^a\) and the Electronic Exchange of Social Security Information (EESSI).

Amendment 29

Proposal for a decision
Article 4 – paragraph 1 – point h

Text proposed by the Commission

(h) Organise peer reviews to follow Member States progress when fighting undeclared work, including support for the implementation of country-specific recommendations related to fight or prevent undeclared work issued by the Council.

Amendment

(h) Organise peer reviews to follow Member States progress when fighting undeclared work.

Amendment 30

Proposal for a decision
Article 5 – paragraph 3

Text proposed by the Commission

(3) Member States shall provide the Commission with the list and contact details of all enforcement authorities which are involved in the prevention and/or deterrence of undeclared work.

Amendment

3. Member States shall provide the Commission with the list and contact details of all relevant authorities which are involved in the prevention and/or deterrence of undeclared work.

Amendment 31

Proposal for a decision
Article 7 – paragraph 1

Text proposed by the Commission

(1) The Commission shall coordinate the work of the Platform and chair its meetings.

Amendment

1. The Commission shall promote and facilitate the work of the Platform and chair its meetings.
Amendment 32

Proposal for a decision
Article 7 – paragraph 5 a (new)

*Text proposed by the Commission*

Amendment

5a. The Commission shall publish an annual activity report on the work of the Platform.

Amendment 33

Proposal for a decision
Article 8 – paragraph 1 a (new)

*Text proposed by the Commission*

Amendment

The Platform shall, where possible, refrain from the duplication of works already undertaken by those other bodies and instead will coordinate with them towards the sharing of information.

Amendment 34

Proposal for a decision
Article 10

*Text proposed by the Commission*

Amendment

The global resources for the implementation of this Decision shall be established within the framework of the programme for Employment and Social Innovation (EaSI), the annual appropriations of which shall be authorised by the budgetary authority within the limits of the Financial Framework. The Commission shall ensure that financial resources of the EaSI are used in a transparent and efficient way.
Amendment 35

Proposal for a decision
Article 11a (new)

Text proposed by the Commission

Amendment

Article 11a

Defence of rights

Persons bringing cases of undeclared work to the attention of the Platform, directly or via national enforcement authorities or platform observers, shall be protected against any unfavourable treatment by their employer.
## Procedure

<table>
<thead>
<tr>
<th>Title</th>
<th>Establishment of a European Platform to enhance cooperation in the prevention and deterrence of undeclared work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committee responsible</td>
<td>EMPL 16.4.2014</td>
</tr>
<tr>
<td>Opinion by</td>
<td>IMCO 16.4.2014</td>
</tr>
<tr>
<td>Rapporteur</td>
<td>Dennis de Jong 17.7.2014</td>
</tr>
<tr>
<td>Date adopted</td>
<td>22.1.2015</td>
</tr>
<tr>
<td>Result of final vote</td>
<td>+: 23  --: 14  0: 0</td>
</tr>
<tr>
<td>Substitutes present for the final vote</td>
<td>Lucy Anderson, Pascal Arimont, Emma McClarkin, Roberta Metsola, Marc Tarabella</td>
</tr>
</tbody>
</table>
22.1.2015

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on Employment and Social Affairs

on the proposal for a decision of the European Parliament and of the Council on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work

Rapporteur: Kostadinka Kuneva

SHORT JUSTIFICATION

Never before as in recent years has the question of decent work been so important. Therefore the prevention of undeclared work, which is directly linked to precariousness, is of particular concern. The European Parliament called in its Resolution of 14 January 2014 for a stronger cooperation and reinforcement of labour inspectorates to fight undeclared work and the Rapporteur as such welcomes the proposal from the European Commission. Undeclared work is a particularly damaging phenomenon which is increasing under the current crisis as austerity measures can lead to larger shadow economies. What is more alarming is the fact that workers often consent to the phenomenon as undeclared work is their only chance to receive higher - but still not necessarily liveable - salaries. A coordinated approach at EU level to understand the causes and to fight informal work could eventually help strengthen workers' rights and protection, boost funding of social security and strengthen labour standards. As women are still under-employed on European labour markets, any proposal which is meant to contribute to achieve the headline target of 75 % employment by 2020 and even more the target of full employment set in the TEU art. 3.3 should however also aim to flatten the differences between men and women in terms of employment participation. Enhancing the employment of women is crucial to achieve their freedom to work in security and in dignity, to offer a living to their children and is a driving force of economic growth.

Even though fewer women are found in traditionally well-known sectors where undeclared work takes place, such as the construction or repair and renovations sector, their working conditions in undeclared work are often said to be less favourable and hence should be addressed by the EU Platform. Whilst little data is available on the character of undeclared work across the EU, as opposed to the size of the informal economy, women are more often thought to engage in undeclared work because of the impossibility of joining the formal economy and their jobs in undeclared work thought to have a more permanent character than men's jobs. Women's work in private households, such as cleaning babysitting or taking care of the elderly is especially
difficult to control and is often precarious, undervalued and undeclared.

A Eurobarometer published in 2014, found that the gender pay gap is effectively present in undeclared work with median earnings being 231 euros for women compared to 402 euros for men. In 19% of the cases, compared to 12% for men, women claimed the main reason for doing undeclared work was that they had no other means of income. They reported that "envelope wages” accounted for a total of 45% of their income, whilst this is only 29% for men.

With regards to the proposal of the Commission, the Rapporteur draws attention to the fact that the definition of undeclared work as "any paid activities that are lawful as regards their nature but not declared to public authorities, taking into account differences in the regulatory systems of the Member States” dates back to 1998 and can as such hardly serve as a viable basis for the EU Platform to build on. First and foremost, to correctly address all those workers' concerned, the Platform should take up the responsibility of adapting this definition to the reality in Member States.

As for the gendered perspective, the Rapporteur has furthermore identified the following three priorities:

1. The great variety of types of undeclared work within the European Union, involving different workers with different profiles, calls for different approaches by Member States and makes it difficult to monitor the practice at an EU level. As such, the EU Platform should offer room for developing a common understanding of undeclared work, with special attention paid to the most vulnerable groups, such as female undeclared workers, and the use of appropriate indicators.

2. In order to develop this common understanding, and these indicators, the involvement of the European Institute for Gender Equality (EIGE) in the EU Platform is important to reassure gender equal effects.

3. Even though the EU Platform is meant for enforcement authorities, the actual needs of and consequences for the undeclared worker him or herself should not be bypassed and sufficient attention should be given by the relevant authorities to their working conditions and labour inclusion for all.

**AMENDMENTS**

The Committee on Women's Rights and Gender Equality calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

**Amendment 1**

**Proposal for a decision**

Recital 7 a (new)
(7a) The nature of undeclared work varies from one country to the other, depending, inter alia, on the economic, administrative, financial and social context as well as the motivation of workers and employers to engage in undeclared work and its impact is disproportionate among population segments, for example in terms of gender and immigration status. Domestic work, mainly performed by women, poses a particular challenge, as the work is atypical and, by nature, invisible. To tackle all forms of undeclared work, a complex and tailored range of policy approaches and measures is needed.

Justification

Domestic work and work in the care sector is often unregulated and executed by women and the exchange of best practices within the Platform could be important for this group of the undeclared workers as policy approaches, such as the recognition of their qualifications or measures against discrimination, are complex and specific.

Amendment 2

Proposal for a decision
Recital 7 b (new)

(7b) Enhanced cooperation between Member States not only allows for addressing the problem from a fiscal point of view but will also enable the exchange of best practices on social protection, such as pension rights and access to healthcare, including of those groups of undeclared workers that are in a particularly vulnerable position or performing work not even considered as undeclared in all Member States, such as informal childcare or care for elderly
family members provided in close family networks, mainly by women.

Amendment 3
Proposal for a decision
Recital 8

*Text proposed by the Commission*

(8) A wide range of policy approaches and measures to tackle undeclared work have been introduced across the Member States. Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. The Platform will not prevent the application of bilateral agreements or arrangements concerning administrative cooperation.

*Amendment*

(8) A wide range of policy approaches and measures to tackle various forms of undeclared work have been introduced across the Member States. Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. Member States are also requested to sign up to the relevant ILO Conventions such as the Labour Inspection Convention (No. 81) and the Domestic Workers Convention (No. 189). The Platform should accompany Member States’ actions and help to improve the subscription to and application of such agreements.

Amendment 4
Proposal for a decision
Recital 10

*Text proposed by the Commission*

(10) The strengthening of cooperation among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively.

*Amendment*

(10) The strengthening of cooperation among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively, taking into account the gender differences.
Amendment 5
Proposal for a decision
Recital 12

Text proposed by the Commission

(12) The Platform should make use of all relevant sources of information, in particular studies, bilateral agreements concluded between Member States and multilateral cooperation projects and create synergies between existing EU level instruments and structures to maximise the deterrent or preventive effect of these measures. The operational coordination of actions of the Member States could take the form of joint trainings, peer reviews and solutions for data sharing. European campaigns or common strategies could increase the awareness of undeclared work.

Amendment

(12) The Platform should make use of all relevant sources of information, in particular studies, including the studies of relevant Union agencies, such as the European Institute for Gender Equality, which address needs of particular population groups, bilateral agreements concluded between Member States and multilateral cooperation projects and create synergies between existing EU level instruments and structures to maximise the deterrent or preventive effect of these measures. The operational coordination of actions of the Member States could take the form of joint trainings, peer reviews and solutions for data sharing. European campaigns or common strategies could increase the awareness of undeclared work.

Justification

The involvement of EIGE is crucial to guarantee the EU Platform follows a gender mainstreamed approach. The emergence of formal jobs is particularly important for women as they lag behind when it comes to achieving the employment target of the EU2020 strategy: enhancing the employment of women is crucial to achieve their freedom to work in security and in dignity and is a driving force of economic growth.

Amendment 6
Proposal for a decision
Recital 14

Text proposed by the Commission

(14) In order to address undeclared work

Amendment

(14) In order to address undeclared work
comprehensively and successfully, a policy mix is to be implemented in the Member States, that is facilitated by structured cooperation between relevant authorities. The cooperation should include all national authorities which are leading and/or active in the prevention and/or deterrence of undeclared work.

comprehensively and successfully, a gender mainstreamed policy mix should be implemented in the Member States based on structured cooperation between all relevant bodies and actors. The cooperation should include all bodies and actors which are leading and/or active in the prevention and/or deterrence of undeclared work. Particular attention should be paid to hidden or underestimated areas of undeclared work such as in the sector of domestic work.

Amendment 7
Proposal for a decision
Recital 14 a (new)

Text proposed by the Commission

(14a) Within the Platform, positive measures, such as tax incentives and service vouchers, should be put forward to facilitate citizens of the Union to lawfully employ workers and fulfil their duties as employers, also in social sectors such as household, cleaning or childcare services.

Amendment 8
Proposal for a decision
Recital 16

Text proposed by the Commission

(16) The Platform should involve the social partners at EU level, both cross-industry and in those sectors more severely affected by undeclared work, and cooperate with relevant international organisations, such as the International Labour Organisation (ILO), and Union decentralised agencies, in particular Eurofound and European Agency for Safety and Health at Work.

(16) The Platform should involve the social partners at EU level, both cross-industry and in those sectors more severely affected by undeclared work, step up social dialogue and cooperate with relevant international organisations, such as the International Labour Organisation (ILO), and Union decentralised agencies, in particular Eurofound, the European
The involvement of Eurofound and European Agency for Safety and Health at Work in the work of the Platform as observers will not extend their existing mandates.

Agency for Safety and Health at Work and the European Institute for Gender Equality. The involvement of Eurofound, the European Agency for Safety and Health at Work and the European Institute for Gender Equality in the work of the Platform as observers or participants will not extend their existing mandates.

Justification

The Platform should also be seen explicitly as an opportunity to help these workers, many of whom are women, and especially in care work, to integrate in the regular labour markets. The involvement of EIGE is crucial to guarantee the EU Platform follows a gender mainstreamed approach. The emergence of formal jobs is particularly important for women as they lag behind when it comes to achieving the employment target of the EU2020 strategy: enhancing the employment of women is crucial to achieve their freedom to work in security and in dignity and is a driving force of economic growth.

Amendment 9

Proposal for a decision
Recital 19

Text proposed by the Commission

(19) The Platform can establish working groups to examine specific issues and should be able to rely on the expertise of professionals with specific competences.

Amendment

(19) The Platform can establish working groups to examine specific issues, such as targeted policies for workers in the informal sector who are young, elderly or female, and, in particular women with disabilities and female immigrants, as well as the causes of undeclared work, and should be able to rely on the expertise of professionals with specific competences.

Justification

Work carried out in private households, including household services such as cleaning or child and elderly care, is often unregulated and executed by women. From the outset of the Platform, a working group on the working conditions of women in undeclared work and the effects on their social security should be foreseen. It is also important that the Platform looks into recurring reasons for workers to shift into undeclared works and Member States discuss policies to tackle these causes.
Amendment 10

Proposal for a decision
Article 1 – paragraph 2 – introductory part

Text proposed by the Commission

(2) The Platform shall be composed of:

Amendment

2. The Platform shall be composed of balanced representation from:

Amendment 11

Proposal for a decision
Article 1 – paragraph 3 – point a

Text proposed by the Commission

(a) representatives of the cross-industry social partners at Union level, as well as social partners in sectors with a high incidence of undeclared work,

Amendment

(a) representatives of the cross-industry social partners at Union level, as well as social partners in sectors with a high incidence of undeclared work, including European women’s associations,

Amendment 12

Proposal for a decision
Article 1 – paragraph 3 – point b

Text proposed by the Commission

(b) a representative of the European Foundation for the Improvement of Living and Working Conditions (Eurofound) and a representative of the European Agency for Safety and Health at Work (EU-OSHA),

Amendment

(b) a representative of the European Foundation for the Improvement of Living and Working Conditions (Eurofound), a representative of the European Agency for Safety and Health at Work (EU-OSHA), and a representative of the European Institute for Gender Equality (EIGE),

Justification

The involvement of EIGE is crucial to guarantee the EU Platform follows a gender mainstreamed approach. The emergence of formal jobs is particularly important for women as they lag behind when it comes to achieving the employment target of the EU2020 strategy: enhancing the employment of women is crucial to achieve their freedom to work in security.
and in dignity and is a driving force of economic growth.

Amendment 13

Proposal for a decision
Article 2 – paragraph 1 – introductory part

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Platform, as set out in Article 1 (1), shall contribute to better enforcement of EU and national law, to the reduction of undeclared work and the emergence of formal jobs, hence avoiding the deterioration of quality of work, and to promote integration in the labour market and social inclusion by:</td>
<td>The Platform, as set out in Article 1 (1), shall contribute to better enforcement of EU and national law, to the reduction of undeclared work and the emergence of formal jobs, to improve the transition from the informal to the formal economy, hence avoiding the deterioration of quality of work, and to promote integration in the labour market, gender equality, equal opportunities and social inclusion by:</td>
</tr>
</tbody>
</table>

Justification

It is very important to improve the transition from the informal to the formal economy, especially in those sectors where mostly are working women, such as work in private households – cleaning services, babysitting or taking care of the elderly or disabled people. These jobs are not regularised and they are often precarious, without social guarantees and undeclared.

Amendment 14

Proposal for a decision
Article 2 – paragraph 1 – point c

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(c) increasing public awareness on the urgency of action and encouraging Member States to step up their efforts in dealing with undeclared work.</td>
<td>(c) increasing public awareness on the urgency of action and encouraging Member States to step up their efforts in dealing with undeclared work, also in social sectors that are less well documented and often not considered as sectors where undeclared working takes place.</td>
</tr>
</tbody>
</table>
Amendment 15
Proposal for a decision
Article 2 – paragraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(ca) preventing the informalisation of formal economy jobs.

Amendment 16
Proposal for a decision
Article 3 - paragraph 1 - point a a (new)

Text proposed by the Commission

Amendment

(aa) Offer a common understanding of undeclared work by adopting a clear definition of undeclared work to reflect the realities of the labour market;

Justification

The actual definition of undeclared work dates back to 1998 and as such can not contribute to fully understand the phenomenon and address it in the most effective way. The emergence of formal jobs is particularly important for women as they lag behind when it comes to achieving the employment target of the EU2020 strategy: enhancing the employment of women is crucial to achieve their freedom to work in security and in dignity and is a driving force of economic growth.

Amendment 17
Proposal for a decision
Article 3 – paragraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(ca) Make suggestions for harmonisation
Amendment 18
Proposal for a decision
Article 4 – paragraph 1 – point a

Text proposed by the Commission
(a) Improve the knowledge of undeclared work by means of common concepts, measurement tools and promotion of joint comparative analysis and related relevant indicators,

Amendment
(a) Improve the knowledge of undeclared work by means of common concepts, measurement tools and promotion of joint comparative analysis and related relevant indicators, including gender- and age-sensitive indicators,

Justification
EU labour markets are gender segregated and women are more often employed in sectors like the domestic care industry. These jobs are not only undeclared but also often jobs of shorter duration with lesser hours worked, whilst also being paid minimal. This does not allow for these women to be economically independent. Little data is however available to back policies which could address this issue, including a lack of data on the position of migrant women.

Amendment 19
Proposal for a decision
Article 4 – paragraph 1 – point c

Text proposed by the Commission
(c) Establish tools, for instance a knowledge bank of different practices/measures, including bilateral agreements used in the Member States to deter and prevent undeclared work,

Amendment
(c) Establish efficient tools, for instance an interactive knowledge bank within Eurofound of different practices/measures, including bilateral agreements used in the Member States, to deter and prevent undeclared work to facilitate transitions from the informal to the formal economy, and positive measures to encourage citizens to legally employ those people that previously worked undeclared,
**Justification**

Eurofound’s current database is regarded as a useful tool. The transformation of the database into an interactive knowledge bank should be even more useful allowing for facilitating exchange of experience and good practice, providing up-to-date, objective, reliable and comparative information. For this reason, the rapporteur calls on the European Commission to create a Knowledge Bank within Eurofound to support the European Platform to enhance cooperation in the prevention and deterrence of undeclared work, as an additional task of the Agency.

**Amendment 20**

Proposal for a decision
Article 4 – paragraph 1 – point d

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(d) Adopt non-binding guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work,</td>
<td>(d) Adopt non-binding guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work, which are comprehensive in terms of the differences between the working conditions of women and men,</td>
</tr>
</tbody>
</table>

**Justification**

This point has also been mentioned in the resolution of the European Parliament on "Effective labour inspections as a strategy to improve working conditions in Europe" which points out that the EU2020 strategy draws attention to the need for women in the labour market.

**Amendment 21**

Proposal for a decision
Article 4 – paragraph 2

<table>
<thead>
<tr>
<th>Text proposed by the Commission</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) In carrying out its tasks, the Platform will make use of all relevant sources of information, including studies and multilateral cooperation projects and take into account relevant Union instruments and structures, as well the experience of</td>
<td>(2) In carrying out its tasks, the Platform shall take account of gender mainstreaming and shall make use of all relevant sources of information, including studies and multilateral cooperation projects and take into account relevant</td>
</tr>
</tbody>
</table>

PE539.484v02-00  70/76  RR\1062606EN.doc
relevant bilateral agreements. It **will** establish appropriate cooperation with Eurofound **and** EU-OSHA.

Union instruments and structures, as well as the experience of relevant bilateral agreements. It **shall** establish appropriate cooperation with Eurofound, **particularly with regard to the development of an interactive knowledge bank as an additional task of the Agency**, EU-OSHA and EIGE.

**Justification**

*The involvement of EIGE is crucial to guarantee the EU Platform follows a gender mainstreamed approach. The emergence of formal jobs is particularly important for women as they lag behind when it comes to achieving the employment target of the EU2020 strategy: enhancing the employment of women is crucial to achieve their freedom to work in security and in dignity and is a driving force of economic growth.*

**Amendment 22**

**Proposal for a decision**

**Article 5 – paragraph 1**

**Text proposed by the Commission**

(1) Each Member State shall appoint one single point of contact as a member of the Platform. They may also appoint one alternate member.

**Amendment**

1. Each Member State shall appoint one single point of contact as a member of the Platform. They may also appoint one alternate member. **Both appointments shall respect the gender balance.**

**Amendment 23**

**Proposal for a decision**

**Article 6 – paragraph 1**

**Text proposed by the Commission**

(1) Representatives of the social partners at cross-industry level, **as well as from** sectors with high incidence of undeclared work may attend meetings of the Platform as observers, according to the procedures determined by their organisations.

**Amendment**

1. Representatives of the social partners at cross-industry level **and women’s associations representing** sectors with high incidence of undeclared work may attend meetings of the Platform as observers, according to the procedures determined by their organisations.
Amendment 24
Proposal for a decision
Article 6 – paragraph 2 – point a

*Text proposed by the Commission*

(a) A maximum of 8 observers
representation social partners at cross-industry level (divided evenly between employers' and workers' organisations),

*Amendment*

(a) A maximum of 8 observers ensuring balanced representation of social partners at cross-industry level (divided evenly between employers' and workers' organisations),

Amendment 25
Proposal for a decision
Article 6 – paragraph 2 – point b

*Text proposed by the Commission*

(b) A maximum of 10 observers
representation social partners in sectors with a high incidence of undeclared work (divided evenly between employers' and workers' organisations),

*Amendment*

(b) A maximum of 10 observers ensuring balanced representation of social partners in sectors with a high incidence of undeclared work (divided evenly between employers' and workers' organisations).

Amendment 26
Proposal for a decision
Article 7 – paragraph 1

*Text proposed by the Commission*

(1) The Commission shall coordinate the work of the Platform and chair its meetings.

*Amendment*

1. The Commission shall coordinate the work of the Platform. The work of the Platform shall be organised as follows:

(a) each Platform meeting shall be chaired by two representatives of its members who shall be a man and a woman from different Member States;
(b) the chairpersons shall be assisted by two vice-chairpersons who shall be a man and a woman from different Member States;

(c) the chairpersons and the vice-chairpersons shall constitute the Bureau;

(d) The Bureau shall prepare and organise the work of the Platform in conjunction with the Commission's services, which shall act as secretariat.

Amendment 27
Proposal for a decision
Article 7 – paragraph 2 – point b

Text proposed by the Commission
(b) a two-year work programme of the Platform setting out, inter alia, its detailed tasks and regular reports of the Platform in every two years,

Amendment
(b) a two-year work programme of the Platform setting out, inter alia, its detailed tasks and regular reports of the Platform in every two years, the drafting of which shall take account of the gender perspective,

Amendment 28
Proposal for a decision
Article 7 – paragraph 2 – point c

Text proposed by the Commission
(c) the establishment of working groups to examine issues specified in work programmes of the Platform. Such working groups shall be dissolved as soon as their mandates are fulfilled.

Amendment
(c) the establishment of working groups, which must ensure balanced representation, to examine issues specified in the work programmes of the Platform. Such working groups shall be dissolved as soon as their mandates are fulfilled.
Amendment 29

Proposal for a decision
Article 7 – paragraph 3

Text proposed by the Commission

(3) Experts with specific competence in a subject under discussion may be invited on a case-by-case basis to participate in the Platform's or working group's deliberations if this is useful and/or necessary.

Amendment

(3) Experts with specific competence in a subject under discussion or when the subject requires a gender mainstreamed approach, selected in accordance with the principles of gender balance, may be invited on a case-by-case basis to participate in the Platform's or working group's deliberations if this is useful and/or necessary.

Justification

Whilst "gender" might not be a specific issue to be examined within the EU Platform, it may be included in analysing other issues if the effect is deemed different on both men and women: the involvement of EIGE could guarantee such a gender mainstreamed approach of the EU Platform.
### PROCEDURE

<table>
<thead>
<tr>
<th><strong>Title</strong></th>
<th>Establishment of a European Platform to enhance cooperation in the prevention and deterrence of undeclared work</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Committee responsible</strong></td>
<td>EML</td>
</tr>
<tr>
<td><strong>Date announced in plenary</strong></td>
<td>16.4.2014</td>
</tr>
<tr>
<td><strong>Opinion by</strong></td>
<td>FEMM</td>
</tr>
<tr>
<td><strong>Date announced in plenary</strong></td>
<td>16.4.2014</td>
</tr>
<tr>
<td><strong>Rapporteur</strong></td>
<td>Kostadinka Kuneva</td>
</tr>
<tr>
<td><strong>Date appointed</strong></td>
<td>15.9.2014</td>
</tr>
<tr>
<td><strong>Discussed in committee</strong></td>
<td>2.12.2014</td>
</tr>
<tr>
<td><strong>Date adopted</strong></td>
<td>20.1.2015</td>
</tr>
</tbody>
</table>
| **Result of final vote** | +: 29  
| | -: 4  
| | 0: 0 |
| **Members present for the final vote** | Daniela Aiuto, Maria Arena, Beatriz Becerril Barrio, Malin Björk, Vilija Blinkevičiūtė, Anna Maria Corazza Bildt, Viorica Dăncilă, Iratxe García Pérez, Anna Hedh, Teresa Jiménez-Becerril Barrio, Agnieszka Kozłowska-Rajewicz, Vicky Maeijer, Angelika Mlinar, Krisztina Morvai, Maria Noichl, Marijana Petir, Terry Reintke, Liliana Rodrigues, Jordi Sebastià, Ángela Vallina, Beatrix von Storch, Jadwiga Wiśniewska, Anna Záborská, Jana Žitňanská |
| **Substitutes present for the final vote** | Izaskun Bilbao Barandica, Biljana Borzan, Linnéa Engström, Rosa Estaràs Ferragut, Mariya Gabriel, Ildikó Gáll-Pelcz, Kostadinka Kuneva, Marc Tarabella |
| **Substitutes under Rule 200(2) present for the final vote** | Rosa D’Amato |
## PROCEDURE

<table>
<thead>
<tr>
<th>Title</th>
<th>Establishment of a European Platform to enhance cooperation in the prevention and deterrence of undeclared work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date submitted to Parliament</td>
<td>9.4.2014</td>
</tr>
<tr>
<td>Committee responsible</td>
<td>EMPL 16.4.2014</td>
</tr>
<tr>
<td>Date appointed</td>
<td>Georgi Pirinski 15.9.2014</td>
</tr>
<tr>
<td>Date adopted</td>
<td>7.5.2015</td>
</tr>
<tr>
<td>Result of final vote</td>
<td>+: 44, --: 5, 0: 2</td>
</tr>
<tr>
<td>Substitutes present for the final vote</td>
<td>Georges Bach, Heinz K. Becker, Karima Delli, Tania González Peñas, Marju Lauristin, Joachim Schuster, Helga Stevens, Ivo Vajgl, Tom Vandenkenendaere</td>
</tr>
<tr>
<td>Substitutes under Rule 200(2) present for the final vote</td>
<td>Andrea Cozzolino, Rosa D’Amato, Jens Nilsson</td>
</tr>
<tr>
<td>Date tabled</td>
<td>22.5.2015</td>
</tr>
</tbody>
</table>