**REPORT**


Committee on Employment and Social Affairs

Rapporteurs: Dennis Radtke, Agnes Jongerius
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

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION</td>
<td>5</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON LEGAL AFFAIRS ON THE LEGAL BASIS</td>
<td>60</td>
</tr>
<tr>
<td>OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY</td>
<td>69</td>
</tr>
<tr>
<td>PROCEDURE – COMMITTEE RESPONSIBLE</td>
<td>100</td>
</tr>
<tr>
<td>FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE</td>
<td>101</td>
</tr>
</tbody>
</table>
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a directive of the European Parliament and of the Council adequate minimum wages in the European Union
(COM(2020)0682 – C9-0337/2020 – 2020/0310(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council
  (COM(2020)0682),
– having regard to Article 294(2) and Article 153(2), in conjunction with point (b) of
  Article 153(1) of the Treaty on the Functioning of the European Union, pursuant to
  which the Commission submitted the proposal to Parliament (C9-0337/2020),
– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
– having regard to the reasoned opinion(s) submitted, within the framework of Protocol
  No 2 on the application of the principles of subsidiarity and proportionality, by the
  Greek Parliament, the Danish Parliament, the Maltese Parliament and the Swedish
  Parliament,
– having regard to the opinion of the European Economic and Social Committee¹,
– having regard to the opinion of the Committee of the Regions²,
– having regard to the opinion of the Committee on Legal Affairs on the proposed legal
  basis,— having regard to Rules 59 and 40 of its Rules of Procedure,
– having regard to the opinion of the Committee on Women's Rights and Gender
  Equality,
– having regard to the report of the Committee on Employment and Social Affairs (A9-
  0325/2021),

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

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

¹ OJ C , p.
² OJ C , p.
Amendment 1
Proposal for a directive
Title

Text proposed by the Commission
Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on adequate minimum wages in the European Union

Amendment
Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on adequate and fair minimum wages in the European Union

Amendment 2
Proposal for a directive
Citation 1

Text proposed by the Commission
Having regard to the Treaty on the Functioning of the European Union, and in particular Article 153 (2), in conjunction with point (b) of Article 153 (1) thereof

Amendment
Having regard to the Treaty on the Functioning of the European Union, and in particular Article 153(2), point(b), in conjunction with Article 153(1), point (b), thereof

Amendment 3
Proposal for a directive
Recital 1

Text proposed by the Commission
(1) Pursuant to Article 3 of the Treaty on European Union, the aims of the Union are, inter alia, to promote the well-being of its peoples and to work for the sustainable development of Europe based on a highly competitive social market economy.

Amendment
Pursuant to Article 3 of the Treaty on European Union, the aims of the Union are, inter alia, to promote equality, solidarity, social justice and the well-being of its peoples and to work for the sustainable development of Europe based on a highly competitive social market economy, aiming to ensure full employment, social progress, a high level of protection and an improvement of the quality of the environment. Pursuant to Article 9 of the Treaty on the Functioning of the European Union (TFEU), the Union is to take into account
requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, and the fight against social exclusion.

Amendment 4
Proposal for a directive
Recital 1 b (new)

Text proposed by the Commission

(1 b) Article 151 TFEU provides that the Union and the Member States have as their objectives, inter alia, to improve living and working conditions, in order to enable the harmonisation of such conditions while maintaining their improvement, proper social protection and a dialogue between management and labour, in line with the European Social Charter.

Amendment 5
Proposal for a directive
Recital 2

Text proposed by the Commission

(2) Article 21 of the Charter of Fundamental Rights of the European Union\(^{36}\) prohibits discrimination on the basis of sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation. Article 23 of the Charter provides for the right to equality between women and men in all areas, including employment, work and pay. Article 27 of the Charter provides for the right of workers to information and consultation. Article 28 of the Charter provides for the right of workers and employers, or their
respective organisations, in accordance with Union law and national law and practice, to negotiate and conclude collective agreements at the appropriate level and, in the case of conflicts of interest, to take collective action to defend their interests, including strike action. Article 31 of the Charter provides for the right of every worker to working conditions which respect his or her health, safety and dignity.


Amendment 6
Proposal for a directive
Recital 3

Text proposed by the Commission

(3) The European Social Charter establishes that all workers have the right to just conditions of work. It recognises the right of all workers to a fair remuneration sufficient for a decent standard of living for themselves and their families. Article 4 of the Charter recognises the role of freely concluded collective agreements as well as of statutory minimum wage setting mechanisms, to ensure the effective exercise of this right.

Amendment

(3) Article 2 of the European Social Charter (the "ESC") establishes that all workers have the right to just conditions of work. Article 4 ESC recognises the right of all workers to a fair remuneration sufficient for a decent standard of living for themselves and their families. It also recognises the role of freely concluded collective agreements as well as of statutory minimum wage setting mechanisms, to ensure the effective exercise of this right. Article 5 ESC recognises the right of workers and employers to organise and Article 6 ESC recognises the right to bargain collectively.

Amendment 7
Proposal for a directive
Recital 4

Text proposed by the Commission

(4) Chapter II of the European Pillar of Social Rights, proclaimed at Gothenburg on 17 November 2017, establishes a set of principles to serve as a guide towards ensuring fair working conditions. Principle No 6 of the European Pillar of Social Rights reaffirms the workers’ right to fair wages that provide for a decent standard of living. It also provides that adequate minimum wages shall be ensured, in a way that provides for the satisfaction of the needs of the worker and his/her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. Furthermore, it recalls that in-work poverty shall be prevented and that all wages shall be set in a transparent and predictable way and respecting the autonomy of the social partners.

Amendment

(4) Chapter II of the European Pillar of Social Rights (the “Pillar”), proclaimed at Gothenburg on 17 November 2017, establishes a set of principles to serve as a guide towards ensuring fair working conditions. Principles No 2 and 3 of the Pillar provide for equality of treatment and opportunities regarding participation in the labour market, terms and conditions of employment and career progression between men and women, regardless of racial or ethnic origin, religion or belief, disability, age or sexual orientation. Principle No 6 of the Pillar reaffirms the workers’ right to fair wages that provide for a decent standard of living. It also provides that adequate minimum wages shall be ensured, in a way that provides for the satisfaction of the needs of the worker and his/her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. Furthermore, it recalls that in-work poverty shall be prevented and that all wages shall be set in a transparent and predictable way according to national practices and respecting the autonomy of the social partners. Principle No 8 of the Pillar ensures the consultation of the social partners on the design and implementation of economic, employment and social policies according to national practices and provides that social partners are to be encouraged to negotiate and conclude collective agreements in matters relevant to them, while respecting their autonomy and the right to collective action.

Amendment 8

Proposal for a directive
Recital 5

**Text proposed by the Commission**

(5) Guideline 5 of Council Decision 2020/1512/EU on guidelines for the employment policies of the Member States calls on Member States to ensure an effective involvement of social partners in wage-setting, providing for fair wages that enable a decent standard of living and allowing for an adequate responsiveness of wages to productivity developments, with a view to upward convergence. The Guideline also calls on Member States to promote social dialogue and collective bargaining on wage setting. It also calls on Member States and the social partners to ensure that all workers have adequate and fair wages by benefitting from collective agreements or adequate statutory minimum wages, and taking into account their impact on competitiveness, job creation and in-work poverty. The Annual Sustainable Growth Strategy 2021 states that Member States should adopt measures to ensure fair working conditions. In addition, the Annual Sustainable Growth Strategy 2020 recalled that in the context of growing social divides, it is important to ensure that each worker earns an adequate wage. Several Country Specific Recommendations have also been issued to some Member States in the field of minimum wages. However, individual countries may be little inclined to improve their minimum wage settings because of the perception that this could negatively affect their external cost competitiveness.

---

**Amendment**

(5) Guideline 5 of Council Decision 2020/1512/EU calls on Member States to ensure an effective involvement of and cooperation with social partners in wage-setting, providing for fair wages that enable a decent standard of living while paying particular attention to lower and middle income groups, with a view to upward convergence and in order to correct growing inequalities while improving the economic and social development of the Member States. The Guideline also calls on Member States to promote social dialogue and collective bargaining on wage setting. It also calls on Member States and the social partners to ensure that all workers have adequate and fair wages by benefitting from collective agreements or adequate statutory minimum wages, and should take into account their impact on sustainable economic development, job creation and in-work poverty. The Annual Sustainable Growth Strategy 2021 states that Member States should adopt measures to ensure fair working conditions. In addition, the Annual Sustainable Growth Strategy 2020 recalled that in the context of growing social divides, it is important to ensure that each worker earns an adequate wage. Several Country Specific Recommendations have also been issued to some Member States in the field of minimum wages with the aim of improving the adequacy of minimum wages to achieve real wage growth and avoid labour cost competition. Member States should improve minimum wage protection, taking into account national traditions.

---


Amendment 9

Proposal for a directive
Recital 6

Text proposed by the Commission

(6) Better working and living conditions, including through adequate minimum wages, benefit both workers and businesses in the Union and are a prerequisite for achieving inclusive and sustainable growth. Addressing large differences in the coverage and adequacy of minimum wage protection contributes to improving the fairness of the EU labour market and promote economic, social progress and upward convergence. Competition in the Single Market should be based on high social standards, innovation and productivity improvements ensuring a level playing field.

Amendment

(6) Better working and living conditions, including through adequate and fair minimum wages, benefit workers and businesses in the Union as well as society and the economy in general and are a prerequisite for achieving fair, inclusive and sustainable growth. Addressing large differences in the coverage and adequacy of minimum wage protection contributes to improving the fairness of the EU labour market, preventing and reducing wage and social inequalities and combating unfair competition, and to promoting economic, social progress and upward convergence. Competition in the Single Market should be based on high social standards, including a high level of workers’ protection, the creation of quality jobs, innovation and sustainable productivity improvements, ensuring a level playing field.

Amendment 10

Proposal for a directive
Recital 7

Text proposed by the Commission

(7) When set at adequate levels, minimum wages protect the income of disadvantaged workers, help ensure a decent living, and limit the fall in income during bad times, as recognised in

Amendment

(7) When set at adequate and fair levels, whether by statutory minimum wages or collective bargaining, minimum wages protect the income of all workers, in particular of disadvantaged workers, help
Convention 131 of the International Labour Organisation on the establishment of a system of minimum wage fixing. Minimum wages contribute to sustaining domestic demand, strengthen incentives to work, reduce wage inequalities and in-work poverty.

Minimum wages that provide for a decent standard of living contribute to sustaining domestic demand and purchasing power at local, regional and national level, strengthen incentives to work, reduce wage inequalities and the gender pay gap, to help to prevent and combat in-work poverty among workers and their families, and to strengthen economic resilience. A consideration of the socio-economic situation of the labour market should address the need to ensure a decent standard of living for workers.

Amendment 11

Proposal for a directive
Recital 7 a (new)

Text proposed by the Commission

(7a) In-work poverty in the Union has increased over the past decade and more workers are experiencing poverty. During economic turndowns, such as the COVID-19 crisis, the role of adequate and fair minimum wages in protecting low-wage workers is particularly important as they are more vulnerable to the consequences, and is essential for the purpose of supporting a sustainable and inclusive economic recovery which should lead to more quality employment. To ensure a sustainable recovery, it is vital that businesses, in particular micro-enterprises and small enterprises, thrive. Taking into account the effects and duration of the COVID-19 crisis, it is even more important to reassess the adequacy of wages in low-paid sectors that have proven to be essential and of great social value during the crisis. Not all Member
States have ratified and implemented ILO Convention 131 on Minimum Wage Fixing.

1

Amendment 12
Proposal for a directive
Recital 8

Text proposed by the Commission

(8) Women, young and low-skilled workers and persons with disabilities have a higher probability of being minimum wage or low wage earners than other groups. During economic downturns, such as the Covid-19 crisis, the role of minimum wages in protecting low-wage workers becomes increasingly important and is essential to support a sustainable and inclusive economic recovery. Addressing minimum wage contributes to gender equality, closing the gender pay and pension gap as well as elevating women out of poverty.

Amendment

(8) Women, younger and older workers, migrants, single parents, low-skilled workers, persons with disabilities, and in particular persons who suffer from multiple forms of discrimination still have a higher probability of being minimum wage or low wage earners. Ensuring and improving the adequacy and fairness of minimum wages contributes to reducing the disability pay gap, respecting the needs of all generations, gender equality, closing the gender pay and pension gap as well as elevating women and their families out of poverty. Ensuring equal pay and facilitating a good work-life balance are vital to sustainable economic growth in the Union.

Amendment 13
Proposal for a directive
Recital 9

Text proposed by the Commission

(9) The Covid-19 pandemic is having a significant impact on the services sector and small firms, which both have a high share of minimum wage earners. In addition, minimum wages are also important in view of the structural trends

Amendment

(9) The Covid-19 pandemic is having a significant impact on the services sector, microenterprises and small enterprises which have a high share of low wage and minimum wage earners. Minimum wages are therefore also important in view of the
that are reshaping labour markets and which are increasingly characterised by high shares of non-standard and precarious work. These trends have led to an increased job polarisation resulting in an increasing share of low-paid and low-skilled occupations in most Member States, as well as to higher wage inequality in some of them.

structural trends that are reshaping labour markets and which are increasingly characterised by high shares of non-standard and precarious work, often including part-time, seasonal, platform and temporary agency workers. These trends have led, in many cases, to an increased job polarisation resulting in an increasing share of low-paid and low-skilled occupations and sectors in most Member States, as well as to higher wage inequality in some of them. It is more difficult for workers with non-standard contracts to organise and fight for collective agreements. Strategies such as "union-busting" weaken trade unions and, as a consequence, lead to fewer or hollowed-out collective agreements. In addition, the low or decreasing coverage of employers' organisations is debilitating collective bargaining.

Amendment 14
Proposal for a directive
Recital 9 a (new)

Text proposed by the Commission

Amendment

(9 a) While labour market flexibility and new forms of employment, including part-time work and work for numerous employers are not generally and necessarily disadvantageous and are sometimes preferred by workers themselves, they should not lead to in-work poverty or the evasion of minimum wage regulations and agreements.

Amendment 15
Proposal for a directive
Recital 9 b (new)
Amendment 16
Proposal for a directive
Recital 10
Text proposed by the Commission

(10) While minimum wage protection exists in all Member States, in some that protection stems from legislative provisions (“statutory minimum wages”) and from collective agreements while in others it is provided exclusively, through collective agreements.

Amendment
(10) Minimum wage protection exists in all Member States. Protection stems from legislative provisions and from collective agreements. Many Member States have statutory minimum wages. In some Member States, social partners have developed well-functioning autonomous bargaining structures for wagesetting. In those Member States, social partners have a high capacity to negotiate and monitor the implementation of concluded agreements. Wage setting through collective agreements contributes to a balanced development of wage formation and reducing in-work poverty and has proven to be beneficial from a socio-economic perspective. The different national traditions in the Member States should be respected.

Amendment 17
Proposal for a directive
Recital 11
Text proposed by the Commission

(11) Minimum wage protection set out

Amendment
(11) Minimum wage protection arising
by collective agreements in low-paid occupations is adequate in most cases; statutory minimum wages are low compared to other wages in the economy in several Member States. In 2018, the statutory minimum wage did not provide sufficient income for a single minimum-wage earner to reach the at-risk-of-poverty threshold in nine Member States. In addition, the use of reduced minimum wage rates (variations) and deductions from statutory minimum wages negatively affect their adequacy.

from collective agreements in low-paid occupations is adequate and provide decent standards of living in most cases, and has proven to be an effective means by which to tackle in-work poverty. Statutory minimum wages are usually low compared to other wages in the economy in many Member States. In 2018, the statutory minimum wage did not provide sufficient income for a single minimum-wage earner to reach the at-risk-of-poverty threshold in nine Member States, which is not in line with the aims of the Union as outlined in Article 9 TFEU. In addition, the use of reduced minimum wage rates (variations) and deductions from statutory minimum wages negatively affect their adequacy and increases the risk of poverty of such workers, in the public as well as the private sectors.

Amendment 18

Proposal for a directive
Recital 12

Text proposed by the Commission

(12) Not all workers in the Union are protected by minimum wages. In some Member States some workers, even though they are covered, receive in practice a remuneration below the statutory minimum wage due to the non-respect of existing rules. In particular, such non-compliance has been found to affect notably women, young workers, people with disabilities and agricultural workers. In Member States where minimum wage protection is provided only through collective agreements, the share of workers not covered is estimated to vary from 2% to 55% of all workers.

Amendment

(12) Not all workers in the Union are protected by minimum wages. In some Member States some workers, even though they are covered, receive in practice a remuneration below the statutory minimum wage due to non-compliance with existing rules, or due to current variations of and deductions from the statutory minimum wage. Where they exist, Member States should regularly review variations with a view to assess their impact on vulnerable groups of workers. In particular, such non-compliance has been found to affect notably women, young workers, older workers, low-skilled workers, migrant workers, single parents, people with disabilities, workers with non-standard forms of employment such as platform workers, part-time workers, agricultural, seasonal and fixed-term workers, which
as a consequence drives down wages. In Member States where minimum wage protection arises from collective agreements only, the share of workers not covered is estimated to vary from 2% to 55% of all workers.

Amendment 19
Proposal for a directive
Recital 12 a (new)

Text proposed by the Commission

Amendment

(12 a) To avoid the proliferation of sheltered employment opportunities that do not comply with minimum wage legislation and to avoid discrimination against persons with disabilities, this Directive should ensure that sheltered employment facilities are governed by the standards, laws or agreements in place in the sector in which they operate.

Amendment 20
Proposal for a directive
Recital 13

Text proposed by the Commission

Amendment

(13) While strong collective bargaining at sector or cross-industry level contributes to ensuring adequate minimum wage protection, traditional collective bargaining structures have been eroding during the last decades, in part due to structural shifts in the economy towards less unionised sectors and to the decline in trade union membership related to the increase of atypical and new forms of work.

(13) While strong collective bargaining at sector or cross-industry level contributes to ensuring adequate and fair minimum wage protection in the form of wages arising from collective agreements, traditional collective bargaining structures have been eroding during recent decades, due to a decrease in employer association membership, to structural shifts in the economy towards less unionised sectors and to the decline in trade union membership which is due to the increase of precarious and non-standard forms of work. In addition, sectoral and cross-industry level collective bargaining came under severe pressure in the aftermath of
the 2008 financial crisis. With the aim of achieving adequate and fair minimum wages, however, sectoral and cross-industry level collective bargaining is essential and therefore needs to be promoted and strengthened.

Amendment 21
Proposal for a directive
Recital 14

(14) The Commission has consulted management and labour in a two-stage process with regard to possible action to address the challenges related to adequate minimum wages protection in the Union, in accordance with Article 154 of the Treaty on the Functioning of the European Union. There was no agreement among the social partners to enter into negotiations with regard to those matters. It is, however, important to take action at Union level to ensure that workers in the Union are protected by adequate minimum wages, taking into account the outcomes of the social partners’ consultation.

Amendment 22
Proposal for a directive
Recital 15

(15) This Directive establishes minimum requirements at Union level to ensure both that minimum wages are set at adequate level and that workers have access to minimum wage protection, in the form of a statutory minimum wage or in the form of wages set under collective agreements as defined for the purpose of this Directive.

(15) With a view to improving working and living conditions, upward social convergence and gender equality in the Union, this Directive establishes minimum requirements at Union level to ensure both the adequacy and fairness of minimum wages and the access of workers to minimum wage protection, in the form of a
statutory minimum wage, *where it exists*, or in the form of wages *arising from* collective agreements as defined for the purpose of this Directive.

**Amendment 23**

**Proposal for a directive**

**Recital 16**

*Text proposed by the Commission*

(16) In full respect of Article 153(5) *of the Treaty on the Functioning of the European Union*, this Directive neither aims to harmonise the level of minimum wages across the Union nor to establish an uniform mechanism for setting minimum wages. It does not interfere with the freedom of Member States to set statutory minimum wages or promote access to minimum wage protection provided by collective agreements, according to the traditions and specificities of each country and in full respect of national competences and social partners’ *contractual freedom*. This Directive does not impose an obligation on the Member States where minimum wage protection is ensured exclusively via collective agreements to introduce a statutory minimum wage nor to make the collective agreements universally applicable. Also, this Directive does not establish the level of pay, which falls within the *contractual freedom* of the social partners at national level and within the relevant competence of Member States.

*Amendment*

(16) In full respect of Article 153(5) *TFEU*, this Directive neither aims to harmonise the level of minimum wages across the Union nor to establish an uniform mechanism for setting minimum wages. It *aims to ensure adequate and fair minimum wages as a threshold of decency at national level, to improve living standards and to prevent and reduce poverty in the Union*. However, *this Directive* does not interfere with the freedom of Member States to set statutory minimum wages or promote access to minimum wage protection provided by collective agreements, according to the traditions and specificities of each country and in full respect of national competences and social partners’ *right to conclude agreements*. This Directive does not impose *and should not be construed as imposing* an obligation on the Member States where minimum wage protection is ensured exclusively via collective agreements to introduce a statutory minimum wage nor to make the collective agreements universally applicable. Also, this Directive does not establish the level of pay, which falls within the *right* of the social partners *to conclude agreements* at national level and within the relevant competence of Member States.
(17) This Directive should apply to workers who have an employment contract or employment relationship as defined by the law, collective agreements or practice in force in each Member State, with consideration to the criteria established by the Court of Justice of the European Union for determining the status of a worker. Provided that they fulfil those criteria, domestic workers, on-demand workers, intermittent workers, voucher based-workers, bogus self-employed, platform workers, trainees and apprentices could fall within the scope of this Directive. Genuinely self-employed persons do not fall within the scope of this Directive since they do not fulfil those criteria. The abuse of the status of self-employed persons, as defined in national law, either at national level or in cross-border situations, is a form of falsely declared work that is frequently associated with undeclared work. Bogus self-employment occurs when a person is declared to be self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Such persons should fall within the scope of this Directive. The determination of the existence of an employment relationship should be guided by the facts relating to the actual performance of the work and not by the parties' description of the relationship.

(17) This Directive should apply to workers who have an employment contract or employment relationship as defined by the law, collective agreements or practice in force in each Member State, with consideration to the criteria established by the Court of Justice of the European Union for determining the status of a worker. Provided that they fulfil those criteria, workers in the public as well as the private sectors, whose pay is calculated on the basis of output, where permitted by national law, seafarers, domestic workers, on-demand workers, intermittent workers, voucher-based workers, workers who are bogus self-employed, platform workers, workers in sheltered employment, part-time workers, other non-standard workers, trainees and apprentices could fall within the scope of this Directive. The abuse of the status of self-employed persons, as defined in national law, either at national level or in cross-border situations, is a form of falsely declared work that is frequently associated with undeclared work. Bogus self-employment occurs when a person is declared to be self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Such persons should fall within the scope of this Directive. The determination of the existence of an employment relationship should be guided by the facts relating to the actual performance of the work, and not by the parties' description of the relationship.
Recital 17 a (new)

Text proposed by the Commission  

(17 a) In a social market economy, everyone who works should have a decent income and be able to provide for him or herself and his or her family. Solutions to prevent in-work poverty, unfair competition and social inequalities should be in place. Adequate and fair minimum wages are essential in this regard. Member States should ensure compliance with the maximum working hours laid down in national law or collective agreements in the Member States in accordance with Directive 2003/88/EC of the European Parliament and of the Council\(^1\), as well as other health and safety provisions, to safeguard workers’ physical and mental well-being. Member States can take measures against the practice of some employers to raise the output of work or increase the work intensity when minimum wages are implemented or increased because the hourly minimum wages are indirectly lowered and the purpose of this Directive is undermined.


Amendment 26

Proposal for a directive

Recital 18

Text proposed by the Commission  

(18) Well-functioning collective bargaining on wage setting is an important means to ensure that workers are protected by adequate minimum wages. In the

Amendment

(18) Collective bargaining should in any event be in line with ILO Convention 87 on Freedom of Association and Protection of the Right to Organise, ILO
Member States with statutory minimum wages, collective bargaining supports general wage developments and therefore contributes to improving the adequacy of minimum wages. In the Member States where minimum wage protection is provided exclusively by collective bargaining, their level as well as the share of protected workers are directly determined by the functioning of the collective bargaining system and collective bargaining coverage. Strong and well-functioning collective bargaining together with a high coverage of sectorial or cross-industry collective agreements strengthen the adequacy and the coverage of minimum wages.

Convention 98 on the Right to Organise and Collective Bargaining, ILO Convention 154 on Collective Bargaining, and ILO Recommendation 91 on Collective Agreements, as well as the Charter and the ESC. Well-functioning collective bargaining on wage setting is an important means to ensure that workers are protected by adequate and fair minimum wages that provide for a decent standard of living. In the Member States with statutory minimum wages, collective bargaining supports general wage developments and therefore contributes to improving the adequacy and fairness of minimum wages as well as the working and living conditions of workers. In the Member States where minimum wage protection is provided exclusively by collective bargaining, in the form of wages arising from collective agreements, their level as well as the share of protected workers are directly determined by the functioning of the collective bargaining system and collective bargaining coverage. Strong and well-functioning collective bargaining together with a high coverage of sectorial or cross-industry collective agreements strengthen the adequacy and the coverage of minimum wage protection in the form of wages arising from collective bargaining.

Amendment 27

Proposal for a directive
Recital 18 a (new)

Text proposed by the Commission

Amendment

(18 b) Minimum wage protection through collective agreements is beneficial to workers and employers as well as businesses. In some Member States there are neither statutory minimum wages nor systems for declaring collective agreements generally binding. Wages, including minimum wage protection, are
provided exclusively by collective bargaining between social partners. Average wages in those Member States are among the highest in the Union. Those systems are characterised by very high collective bargaining coverage, as well as high levels of affiliation to both the employer associations and trade unions. In systems where minimum wages arise from collective agreements which are made universally applicable without any discretion of the adopting authority as to the content of the applicable provisions, the minimum wage should not be considered to be a statutory minimum wage.

Amendment 28
Proposal for a directive
Recital 19

Text proposed by the Commission

(19) In a context of declining collective bargaining coverage, it is essential that the Member States promote collective bargaining to enhance workers’ access to minimum wage protection provided by collective agreements. Member States with a high collective bargaining coverage tend to have a low share of low-wage workers and high minimum wages. Member States with a small share of low wage earners have a collective bargaining coverage rate above 70%. Similarly, the majority of the Member States with high levels of minimum wages relative to the median wage have a collective bargaining coverage above 70%. While all Member States should be encouraged to promote collective bargaining, those who do not reach this level of coverage should, in consultation and/or agreement with the social partners, provide for or, where it already exists, strengthen a framework of facilitative procedures and institutional arrangements enabling the conditions for collective negotiation.

Amendment

(19) In a context of declining collective bargaining coverage, it is essential that the Member States protect the right to engage in and promote collective bargaining to enhance workers’ access to minimum wage protection provided by collective agreements. This applies in particular to Member States with low collective bargaining coverage, and to cases where multinational and large corporations practice social dumping and continue to exploit loopholes in social systems. Member States with a high collective bargaining coverage tend to have a low share of low-wage workers and high minimum wages. Member States with a small share of low wage earners have a collective bargaining coverage rate above 70%. Similarly, the majority of the Member States with high levels of minimum wages relative to the median wage have a collective bargaining coverage above 70%. While all Member States should be encouraged to promote collective negotiation.
bargaining. Such framework should be established by law or by tripartite agreement.

bargaining and progressively increase the collective bargaining coverage with regard to remuneration to at least 80% of the workers, those who do not reach this level of coverage should, in consultation and agreement with the social partners, provide for or, where it already exists, strengthen a framework of facilitative procedures and institutional arrangements enabling the conditions for collective bargaining. Such framework should be established in accordance with national law and practice, by law, after consulting social partners, in agreement with social partners or, following a joint request, between social partners.

(19 a) Member States should establish and implement an action plan to promote collective bargaining in cooperation with the social partners. That action plan should be reviewed and revised at least every two years. It should also be notified to the Commission and be made public. Member States’ collective bargaining coverage rates vary significantly owing to a number of factors, including national tradition and practice and their historic contexts. This must be taken into account when assessing progress towards a higher collective bargaining coverage particularly with regard to the action plan provided for in this Directive.

Amendment 29
Proposal for a directive
Recital 20

Text proposed by the Commission

(20) Sound rules, procedures and practice for setting and updating statutory minimum wages are necessary to deliver adequate minimum wages, while safeguarding jobs and the competitiveness of firms including small and medium-sized enterprises. They include a number of

Amendment

(20) Sound, clear rules, transparent procedures and effective practice for setting and updating statutory minimum wages are necessary to deliver adequate and fair minimum wages, including through automatic indexation where it exists, while safeguarding existing and
elements to preserve the adequacy of statutory minimum wages, including criteria and indicators to assess adequacy, regular and timely updates, the existence of consultative bodies and the involvement of social partners. A timely and effective involvement of the latter is another element of good governance that allows for an informed and inclusive decision-making process.

Creating new quality employment, ensuring equal treatment, a level playing field and the competitiveness of firms including micro, small and medium-sized enterprises. They include a number of elements to ensure and preserve the adequacy and fairness of statutory minimum wages, including criteria and guiding indicators to assess adequacy and fairness, regular and timely updates, the contribution of consultative bodies and the involvement of social partners. A timely, comprehensive and effective involvement of social partners, is a pre-requisite for good governance that allows for an informed and inclusive decision-making process, while taking into account that social and economic realities are not static.

Amendment 30

Proposal for a directive

Recital 21

Text proposed by the Commission

(21) Minimum wages are considered adequate if they are fair in relation to the wage distribution in the country and if they provide a decent standard of living. The adequacy of statutory minimum wages is determined in view of the national socio-economic conditions, including employment growth, competitiveness as well as regional and sectoral developments. Their adequacy should be assessed at least in relation to their purchasing power, to the productivity developments and to their relation to the gross wage levels, distribution and growth. The use of indicators commonly used at international level, such as 60% of the gross median wage and 50% of the gross average wage, can help guide the assessment of minimum wage adequacy in relation to the gross level of wages.

Amendment

(21) Minimum wages are considered to be adequate and fair if they improve wage distribution in the country and if they provide a decent standard of living for workers and their families on the basis of a full time employment contract. The adequacy and fairness of statutory minimum wages is determined in view of the national socio-economic conditions, including employment growth, competitiveness as well as regional and sectoral developments. Their adequacy and fairness should be assessed at least in relation to their purchasing power, their relation to the gross wage levels, distribution and growth. The internationally recognised level of 60% of the gross median wage and 50% of the gross average wage, can help guide the assessment of minimum wage adequacy in relation to the gross level of wages. Almost
all Member States with a statutory minimum wage fall short of those indicators, while all Member States need to take the necessary measures to prohibit exploitatively low levels of wages. In addition, a national basket of goods and services at real prices, including adequate housing, healthy food, clothing, communication tools and costs, sustainable transport and energy, personal care, health care and medical supplies, childcare, as well as resources necessary enabling meaningful participation in society, sports, cultural, educational and social activities, and insurance and savings to protect against unforeseen events, can be instrumental in this regard. Moreover, adequate and fair levels of minimum wages are an important instrument to support a fair transition to a digital and green economy.

Amendment

Proposal for a directive
Recital 22

Text proposed by the Commission

(22) To promote adequacy of minimum wages for all groups of workers, variations and deductions from statutory minimum wages should be limited to a minimum, while ensuring that social partners are duly consulted in their definition. Some deductions to statutory minimum wages may be justified by a legitimate aim, including overstated amounts paid or deductions ordered by a judicial authority. Others, such as deductions related to the equipment necessary to perform a job or deductions of allowances in kind, such as accommodation, may be unjustified or disproportionate.

Amendment

(22) To promote and ensure the adequacy and fairness of minimum wages that provide for a decent standard of living for all groups of workers, it is necessary to apply the principle of equal treatment and the fight against discrimination. The exclusion of any worker from the protection of a statutory minimum wage cannot be justified. Nothing in this Directive should be construed as imposing an obligation on Member States to introduce variations of and deductions from minimum wages. Variations of statutory minimum wages as well as deductions resulting in levels of wages below the statutory minimum wage should be kept to a minimum, since they undermine the principle of equal treatment of workers and the objective of this Directive. Work-related expenses,
such as equipment necessary to perform the job, or in-kind allowances, such as accommodation, are not paid by the employer to the worker in return for the work performed and should therefore not be deducted from the minimum wage.

Amendment 32

Proposal for a directive
Recital 22 a (new)

\[\text{Text proposed by the Commission}\]

\[\text{Amendment}\]

(22 a) Given the over-representation of women in low-paid jobs, minimum wages can make a significant contribution towards lowering the existing gender pay gap, provided that they are established at adequate levels and that there is no discrimination among workers which could perpetuate the undervaluation of women’s work. In accordance with this Directive and in line with Article 9 of Regulation (EU) 2016/678 of the European Parliament and of the Council\textsuperscript{1a}, Member States should provide the statistics and information, referred to in this Directive, disaggregated by gender and ethnic background where this is relevant to fighting discrimination and inequalities.

\[\text{\textsuperscript{1a} Regulation (EU) of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).}\]

Amendment 33

Proposal for a directive
Recital 23

**Text proposed by the Commission**

(23) An effective enforcement system, including controls and field inspections, is necessary to ensure the functioning of national statutory minimum wage frameworks. To strengthen the effectiveness of enforcement authorities, a close cooperation with the social partners is also needed, including to address critical challenges such as those related to subcontracting, bogus self-employment or non-recorded overtime. Moreover, workers should have **easily** access to **appropriate** information on applicable statutory minimum wages to ensure an adequate degree of transparency and predictability as regards their working conditions.

(23) An effective enforcement system, including *reinforced monitoring*, controls and field inspections, is necessary to ensure the functioning of and compliance with national statutory minimum wage frameworks and the respect for labour standards for all workers. In order to ensure that labour inspections are carried out effectively, Member States should have sufficient labour inspectors, in accordance with ILO Convention 81 on Labour Inspection and ILO Report III on the 95th International Labour Conference in 2006\(^\text{1a}\), which recommends that there should be one labour inspector per 10 000 workers. To strengthen the effectiveness of enforcement authorities, a close cooperation with the social partners is also needed, including to address critical challenges such as those related to *abusive* subcontracting, bogus self-employment or non-recorded overtime. Moreover, workers should have **easy** access to information on applicable statutory minimum wages, *including on complaint mechanisms, mediation and redress mechanisms, which should also be available in formats accessible to people with disabilities, in order to ensure a high degree of transparency and predictability as regards their working conditions, and enforcement of their rights. Member States should ensure this through, inter alia, the establishment of dedicated public websites and awareness-raising campaigns.*


**Amendment**

Amendment 34

Proposal for a directive
Recital 24

Text proposed by the Commission

(24) The effective implementation of minimum wage protection set out by legal provisions or provided by collective agreements is essential in the performance of public procurement and concession contracts. Non-respect of collective agreements providing for minimum wage protection in a given sector may indeed occur in the execution of such contracts or in the sub-contracting chain thereafter, resulting in workers being paid less than the wage level agreed in the sectoral collective agreements. To prevent such situations, economic operators have to apply to their workers the wages set by collective agreements for the relevant sector and geographical area in order to abide by applicable obligations in the field of labour law, in accordance with Articles 18(2) and 71(1) of Directive 2014/24/EU of the European Parliament and the Council on public procurement, Articles 36(2) and 88(1) of Directive 2014/25/EU of the European Parliament and the Council on procurement by entities operating in the water, energy, transport and postal services sectors and Articles 30(3) and 42(1) of Directive 2014/23/EU of the European Parliament and the Council on the award of concession contracts.

Amendment

(24) The effective implementation of minimum wage protection set out by legal provisions or provided by collective agreements is essential in the performance of public procurement and concession contracts. The failure to recognise trade unions or the right of workers to organise and participate in collective bargaining, and the failure to respect collective agreements providing for minimum wage protection and to comply with the working conditions set in such agreements may indeed occur in the execution of such contracts or in the sub-contracting chain thereafter, resulting in workers being paid less than the wage level agreed in the sectoral collective agreements. To prevent such situations, economic operators and their subcontractors have to be informed of the applicable minimum wage protection and working conditions including the right to organise and bargain collectively. Economic operators should be open to negotiate and cooperate with trade unions, to enhance industrial relations and apply to their workers the wages set by collective agreements for the relevant sector and geographical area in order to abide by applicable obligations in the field of labour law, in accordance with Articles 18(2) and 71(1) of Directive 2014/24/EU of the European Parliament and the Council on public procurement, Articles 36(2) and 88(1) of Directive 2014/25/EU of the European Parliament and the Council on procurement by entities operating in the water, energy, transport and postal services sectors and Articles 30(3) and 42(1) of Directive 2014/23/EU of the European Parliament and the Council on the award of concession contracts.


Amendment 35

Proposal for a directive
Recital 24 a (new)

Text proposed by the Commission

Amendment

(24 a) For applicants of financial support of the funds and programmes of the Union, the rules for public procurement and concessions should be applied adequately with regard to the application of collective agreements and minimum wages, where they exist.

Amendment 36

Proposal for a directive
Recital 25

Text proposed by the Commission

Amendment

(25) Reliable monitoring and data collection are key to ensure the effective protection of minimum wages. The Commission should report every year to the European Parliament and to the Council its assessment of developments in the adequacy and coverage of minimum wages on the basis of annual data and
information to be provided by Member States. In addition, progress should be monitored in the framework of the process of economic and employment policy coordination at Union level. In that context, the Employment Committee should examine every year the situation in the Member States on the basis of the reports produced by the Commission and other multilateral surveillance tools such as benchmarking.

**Amendment 37**

**Proposal for a directive**

**Recital 26**

*Text proposed by the Commission*

(26) Workers should be in a position to exercise their right of defence when their rights relating to established minimum wage protection are violated. In order to prevent that workers are deprived from their rights, and without prejudice to specific forms of redress and dispute resolution provided for in collective agreements, including systems of collective dispute resolution, Member States should take the necessary measures to ensure that they have access to effective and impartial dispute resolution and a right to redress, including to adequate compensation, as well as effective protection from any form of detriment in case they decide to exercise their right of defence.

*Amendment*

(26) Workers and their trade union representatives should be informed about and be in a position to exercise their right of defence when their rights relating to established minimum wage protection are violated. In order to prevent that workers are deprived from their rights, and without prejudice to specific forms of redress and dispute resolution provided for in collective agreements, including systems of collective dispute resolution, such as voluntary recourse to mediation, Member States should take the necessary measures to ensure that they have access to effective, timely, efficient, impartial dispute resolution and a right to redress, which, in accordance with national law and practice, should be free of cost at least for those workers who do not have sufficient means, including to adequate compensation, also throughout the entire chain of subcontractors, as well as effective judicial and administrative
protection from any form of detriment if they decide to exercise their right of defence. *Member States should assess how impartial dispute resolution can be further improved in agreement with social partners. Member States should ensure the effective, timely, proportionate enforcement of this Directive, ensuring anti-discrimination principles and dissuasive penalties in accordance with national law and practice.*

Amendment 38

Proposal for a directive
Recital 26 a (new)

*Text proposed by the Commission*

(26 a) With a view to contributing to a level playing field and a safe work environment, Member States should proactively protect workers, trade union members and trade union representatives against instances of adverse treatment by employers resulting from complaints launched with the aim of enforcing the rights under this Directive. That protection should also cover cases in which workers, trade union members and trade union representatives experience such adverse treatment from third parties on behalf of the employer. Those situations could, inter alia, entail adverse treatment by relatives or business partners of the employer, agents or criminal networks.

Amendment 39

Proposal for a directive
Recital 28

*Text proposed by the Commission*

(28) The reforms and measures adopted by the Member States to promote adequate
minimum wage protection of workers, while being steps in the right direction, have not been comprehensive and systematic. Moreover, individual countries may be little inclined to improve the adequacy and coverage of minimum wages because of the perception that this could negatively affect their external cost competitiveness. Since the objectives of this Directive cannot be sufficiently achieved by the Member States, but can rather, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

Amendment 40
Proposal for a directive
Recital 29

Text proposed by the Commission

(29) This Directive lays down minimum requirements, thus leaving untouched Member States' prerogative to introduce and maintain more favourable provisions. Rights acquired under the existing national legal framework should continue to apply, unless more favourable provisions are introduced by this Directive. The implementation of this Directive cannot be used to reduce existing rights for workers, nor can it constitute valid grounds for reducing the general level of protection afforded to workers in the field covered by this Directive.

Amendment

(29) This Directive lays down minimum requirements, thus leaving untouched Member States' prerogative to introduce and maintain more favourable provisions, and are encouraged to do so. Rights acquired under the existing national legal framework should continue to apply, unless more favourable provisions are introduced by this Directive. The implementation of this Directive cannot be used to reduce existing rights for workers, nor can it constitute valid grounds for reducing the general level of protection, including, inter alia, the existing levels of statutory minimum wages already afforded to workers in the field covered by this Directive.
Amendment 41

Proposal for a directive
Recital 30

Text proposed by the Commission

(30) In implementing this Directive Member States should avoid imposing administrative, financial and legal constraints in a way which would hold back the creation and development of micro, small and medium-sized enterprises. Member States are therefore invited to assess the impact of their transposition act on small and medium-sized enterprises in order to ensure that they are not disproportionately affected, giving specific attention to micro-enterprises and to the administrative burden, and to publish the results of such assessments. If found that micro, small and medium-sized enterprises are disproportionately affected, Member States should consider introducing measures to support these enterprises to adjust their remuneration structures to the new requirements.

Amendment

(30) In implementing this Directive Member States should avoid imposing unnecessary administrative, financial and legal constraints in particular if they hold back the creation and development of micro, small and medium-sized enterprises. Member States are therefore encouraged to assess the impact of their transposition act on small and medium-sized enterprises in order to ensure that they are not disproportionately affected, giving specific attention to micro-enterprises and to the administrative burden, and to publish the results of such assessments. If found that micro, small and medium-sized enterprises are disproportionately affected, Member States should consider introducing measures to support these enterprises to adjust their remuneration structures to the new requirements.

Amendment 42

Proposal for a directive
Recital 31

Text proposed by the Commission

(31) The Technical Support Instrument and the European Social Fund plus are available to Member States to develop or improve the technical aspects of minimum wage frameworks, including on assessment of adequacy, monitoring and data collection, broadening access, as well as on enforcement and on general capacity building related to the implementation of said frameworks.

Amendment

(31) The Technical Support Instrument and the European Social Fund plus are available to Member States to develop or improve the technical aspects of minimum wage frameworks, including on assessment of adequacy, monitoring and data collection, broadening access, as well as on enforcement and on general capacity building related to the implementation of said frameworks. The ESF+ also obliges all Member States to allocate an appropriate amount for the capacity building of social partners, which should
be mobilised inter alia to promote collective bargaining coverage.


Amendment 43

Proposal for a directive
Recital 31 a (new)

Text proposed by the Commission

(31 a) The Commission and the Member States should make every effort to ensure that the implementation of this Directive does not have negative consequences in terms of increased bogus self-employment, atypical contracts or undeclared work. Information on the impact of this Directive on these aspects should be included in the review report on its implementation.

Amendment 44

Proposal for a directive
Article 1 – paragraph 1 – introductory part

Text proposed by the Commission

1. With a view to improving working and living conditions in the Union, this Directive establishes a framework for:

Amendment

1. With a view to improving working and living conditions in the Union for all workers, and in order to contribute to upward social convergence, and the reduction of wage inequality and the gender pay gap throughout the Union, this Directive establishes a framework for:
Amendment 45

Proposal for a directive
Article 1 – paragraph 1 – point a

Text proposed by the Commission

(a) setting adequate levels of minimum wages;

Amendment

(a) setting adequate and fair levels of minimum wages in order to ensure at least a decent standard of living of workers and their families;

Amendment 46

Proposal for a directive
Article 1 – paragraph 1 – point b

Text proposed by the Commission

(b) access of workers to minimum wage protection, in the form of wages set out by collective agreements or in the form of a statutory minimum wage where it exists.

Amendment

(b) minimum wage protection in the form of:

i. a statutory minimum wage without discrimination, where statutory minimum wages exist,

ii. access to collective bargaining wage setting,

iii. universally applicable collective agreements, where universally applicable collective agreements exist;

Amendment 47

Proposal for a directive
Article 1 – paragraph 2

Text proposed by the Commission

2. This Directive shall be without prejudice to the choice of the Member States to set statutory minimum wages or promote access to minimum wage

Amendment

2. This Directive shall be without prejudice to the choice of the Member States to set statutory minimum wages, promote access to minimum wage
protection provided by collective agreements.

Amendment 48

Proposal for a directive
Article 1 – paragraph 3

Text proposed by the Commission

3. Nothing in this Directive shall be construed as imposing an obligation on the Member States where wage setting is ensured exclusively via collective agreements to introduce a statutory minimum wage nor to make the collective agreements universally applicable.

Amendment

3. The application of this Directive shall be in full compliance with the freedom of association and the right to collective bargaining, as recognised in the Charter, the ESC and the relevant ILO Conventions. Nothing in this Directive shall be construed as imposing an obligation on the Member States where minimum wage protection is exclusively ensured via collective agreements to introduce a statutory minimum wage or to make collective agreements universally applicable. This Directive is without prejudice to the right of social partners to negotiate, monitor and set wages through collective agreements.

Amendment 49

Proposal for a directive
Article 2 – paragraph 1

Text proposed by the Commission

This Directive applies to workers in the Union who have an employment contract or employment relationship as defined by law, collective agreements or practice in force in each Member State, with consideration to the case-law of the Court of Justice of the European Union.

Amendment

This Directive applies to all workers in the Union who have an employment contract or employment relationship as defined by law, collective agreements or practice in force in each Member State, with consideration to the case-law of the Court of Justice of the European Union.
Article 3 – paragraph 1 – point 1

Text proposed by the Commission

(1) ‘minimum wage’ means the minimum remuneration that an employer is required to pay to workers for the work performed during a given period, calculated on the basis of time or output;

Amendment

(1) ‘minimum wage’ means the minimum remuneration that an employer, whether public or private, is required to pay to workers for the work performed during a given period, calculated on the basis of time;

Amendment 51

Proposal for a directive

Article 3 – paragraph 1 – point 2

Text proposed by the Commission

(2) ‘statutory minimum wage’ means a minimum wage set by law, or other binding legal provisions;

Amendment

(2) ‘statutory minimum wage’ means a minimum wage set by law, or other binding legal provisions, which does not arise from collective bargaining;

Amendment 52

Proposal for a directive

Article 3 – paragraph 1 – point 3

Text proposed by the Commission

(3) ‘collective bargaining’ means all negotiations which take place between an employer, a group of employers or one or more employers’ organisations, on the one hand, and one or more workers’ organisations, on the other, for determining working conditions and terms of employment; and/or regulating relations between employers and workers; and/or regulating relations between employers or their organisations and a worker organisation or worker organisations;

Amendment

(3) ‘collective bargaining’ means all negotiations which take place between an employer, a group of employers or one or more employers’ organisations, on the one hand, and one or more trade unions on the other, for determining working conditions and terms of employment; and/or regulating relations between employers and workers; and/or regulating relations between employers or their organisations and the trade unions;

Amendment 53
Article 3 – paragraph 1 – point 4

Text proposed by the Commission

(4) ‘collective agreement’ means all agreements in writing regarding working conditions and terms of employment concluded by the social partners as an outcome of collective bargaining;

Amendment

(4) ‘collective agreement’ means a written agreement regarding provisions including on working conditions and terms of employment, in particular remuneration, concluded by the social partners as an outcome of collective bargaining;

Amendment 54

Proposal for a directive
Article 3 – paragraph 1 – point 5

Text proposed by the Commission

(5) ‘collective bargaining coverage’ means the share of workers at national level to whom a collective agreement applies;

Amendment

(5) ‘collective bargaining coverage’ means the share of workers at national level to whom a collective agreement regulating remuneration applies;

Amendment 55

Proposal for a directive
Article 4 – paragraph 1 – introductory part

Text proposed by the Commission

1. With the aim to increase the collective bargaining coverage Member States shall take, in consultation with the social partners, at least the following measures:

Amendment

1. With the aim of ensuring the exercise of the right of collective bargaining on wage setting, the strengthening and extension of the coverage of collective bargaining as well as the access of workers to minimum wage protection in the form of wages arising from collective agreements, Member States shall take, in cooperation with the social partners, at least the following measures:

Amendment 56

Proposal for a directive
Article 4 – paragraph 1 – point a

Text proposed by the Commission

(a) promote the building and strengthening of the capacity of the social partners to engage in collective bargaining on wage setting at sector or cross-industry level;

Amendment

(a) promote the building and further strengthening of the capacity of the social partners to engage in collective bargaining on wage setting, in particular, at sector or cross-industry level;

Proposal for a directive

Article 4 – paragraph 1 – point b

Text proposed by the Commission

(b) encourage constructive, meaningful and informed negotiations on wages among social partners;

Amendment

(b) encourage constructive, meaningful and informed negotiations on wages between social partners;

Amendment 58

Proposal for a directive

Article 4 – paragraph 1 – point b a (new)

Text proposed by the Commission

(ba) prohibit and take measures to prevent all acts which undermine the right of workers to join a trade union or obstruct them from doing so, or which discriminate against workers and trade union representatives who participate or wish to participate in collective bargaining on wage setting, and ensure proper access for all workers to necessary information about their rights;

(bb) prohibit all acts aiming to undermine collective bargaining or collective agreements on wage setting;

(bc) ensure effective protection against discriminatory acts related to collective bargaining on wage setting;

(bd) ensure that employers, taking into
account the size and capacity of the undertaking concerned, provide trade union representatives with appropriate information and facilities, in order to enable them to carry out their functions in respect of collective bargaining on wage setting promptly and efficiently;

(b) ensure that trade unions have the right to access the workplace and the workers, including where work is carried out digitally, to meet and contact workers individually or collectively for the purpose of organising workers, negotiating wages on their behalf and representing them;

(bf) support compliance with applicable collective agreements on wages, respect for the applicable collective agreements on wages along the sub-contracting chains, and the provision of collective agreements on wages to employers and workers concerned by them.

Amendment 59

Proposal for a directive
Article 4 – paragraph 2

Text proposed by the Commission

2. Member States where collective bargaining coverage is less than 70% of the workers defined within the meaning of Article 2 shall in addition provide for a framework of enabling conditions for collective bargaining, either by law after consultation of the social partners or by agreement with them, and shall establish an action plan to promote collective bargaining. The action plan shall be made public and shall be notified to the European Commission.

Amendment

2. Member States where the overall collective bargaining coverage regulating remuneration is less than 80% of the workers shall, in addition to the measures provided for in paragraph 1, ensure the enabling conditions to promote collective bargaining, in the form of an action plan, by law after consulting social partners, in agreement with social partners or, following a joint request, between social partners. The action plan shall set out a clear timeline and concrete measures to effectively ensure the right to collective bargaining to promote and progressively increase the coverage of such collective bargaining to at least 80% of the workers. The action plan shall be updated at least
every two years, after consulting social partners, in agreement with social partners or, following a joint request, between social partners. The action plan shall be made public and notified to the Commission. The Commission shall monitor progress and inform the European Parliament and the Council annually in that regard.

Amendment 60
Proposal for a directive
Article 5 – title

Text proposed by the Commission

Amendment

Adequacy

Adequacy and fairness of statutory minimum wages

Amendment 61
Proposal for a directive
Article 5 – paragraph 1

Text proposed by the Commission

Amendment

1. Member States with statutory minimum wages shall take the necessary measures to ensure that the setting and updating of statutory minimum wages are guided by criteria set to promote adequacy with the aim to achieve decent working and living conditions, social cohesion and upward convergence. Member States shall define those criteria in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements. The criteria shall be defined in a stable and clear way.

1. Member States with statutory minimum wages that do not arise from collective bargaining shall establish the necessary measures to ensure that the setting and updating of statutory minimum wages, as a threshold of decency, contribute to preventing and combating poverty, in particular in-work poverty, promote social cohesion and reduce wage inequalities, and are guided by criteria to ensure adequacy and fairness with the aim of achieving decent working and living conditions, the eradication of the gender pay gap and upward convergence, taking into account the socio-economic situation of the labour market concerned, in accordance with the criteria set out in paragraph 2. Member States shall define those criteria, after consulting social partners, in accordance with their national
practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements. The criteria shall be defined in a clear way. **Member States shall ensure that statutory minimum wages are adequate and fair and ensure a decent standard of living.**

**Amendment 62**

Proposal for a directive
Article 5 – paragraph 2 – point a

*Text proposed by the Commission*  
(a) the purchasing power of statutory minimum wages, taking into account the cost of living and the contribution of taxes and social benefits;

*Amendment*  
(a) the purchasing power of statutory minimum wages, taking into account the cost of living, based on a national basket of goods and services at real prices, including VAT, social security contributions and public services;

**Amendment 63**

Proposal for a directive
Article 5 – paragraph 2 – point c a (new)

*Text proposed by the Commission*  
(ca) the poverty rate, in particular the rate of in-work poverty;

*Amendment*  

**Amendment 64**

Proposal for a directive
Article 5 – paragraph 2 – point d

*Text proposed by the Commission*  
(d) labour productivity developments.

*Amendment*  
deleted

**Amendment 65**

Proposal for a directive
Article 5 – paragraph 3

Text proposed by the Commission

3. Member States shall use indicative reference values to guide their assessment of adequacy of statutory minimum wages in relation to the general level of gross wages, such as those commonly used at international level.

Amendment

3. Member States shall **assess and report on the adequacy of statutory minimum wages and may** use indicative reference values to guide their assessment of adequacy of statutory minimum wages in relation to the general level of gross wages, such as those commonly used at international level of **60% of the gross median wage and 50% of the gross average wage**.

Amendment 66

Proposal for a directive

Article 5 – paragraph 4

Text proposed by the Commission

4. Member States shall take the necessary measures to **ensure the regular and timely updates of** statutory minimum wages in order to preserve their adequacy.

Amendment

4. Member States shall take the necessary measures to **update, at least on an annual basis**, statutory minimum wages **in a transparent manner** in order to **ensure and preserve their adequacy and fairness**.

Amendment 67

Proposal for a directive

Article 5 – paragraph 4 a (new)

Text proposed by the Commission

4a. **The annual updates of statutory minimum wages referred to in paragraph 4 shall be carried out without prejudice to other income support mechanisms.**
Article 5 – paragraph 5

Text proposed by the Commission

5. Member States shall establish consultative bodies to advise the competent authorities on issues related to statutory minimum wages.

Amendment

5. Each Member State shall establish or designate a consultative body, which includes the social partners, to advise the competent authorities on issues related to statutory minimum wages. That body shall have adequate resources to carry out or commission independent research regarding the economic and social impact of changes to minimum wages.

Amendment 69

Proposal for a directive
Article 6 – title

Text proposed by the Commission

Variations and deductions

Equal treatment and deductions

Amendment 70

Proposal for a directive
Article 6 – paragraph 1

Text proposed by the Commission

1. Member States may allow different rates of statutory minimum wage for specific groups of workers. Member States shall keep these variations to a minimum, and ensure that any variation is non-discriminatory, proportionate, limited in time if relevant, and objectively and reasonably justified by a legitimate aim.

deleted

Amendment 71

Proposal for a directive
Article 6 – paragraph 2

Text proposed by the Commission

Amendment

2. Member States may allow deductions by law that reduce the remuneration paid to workers to a level below that of the statutory minimum wage. Member States shall ensure that these deductions from statutory minimum wages are necessary, objectively justified and proportionate.

Amendment 72

Proposal for a directive
Article 7 – title

Text proposed by the Commission

Amendment

Involvement of social partners in statutory minimum wage setting and updating

Involvement of social partners in the setting and updating of statutory minimum wages

Amendment 73

Proposal for a directive
Article 7 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

Member States shall take the necessary measures to ensure that the social partners are involved in a timely and effective manner in statutory minimum wage setting and updating, including through participation in consultative bodies referred to in Article 5(5) and notably as concerns:

Member States shall take the necessary measures to ensure that the social partners are involved in the setting and updating, including through automatic indexation where it exists, of statutory minimum wages in a timely and effective manner which provides for their participation in the negotiations and decision-making on a regular basis throughout the process, including through participation in the consultative body referred to in Article 5(5) and in particular with regard to:
Amendment 74

Proposal for a directive
Article 7 – paragraph 1 – point a

Text proposed by the Commission

(a) the selection and application of criteria and indicative reference values referred to in Article 5 \(1\ (2)\) and \(3\) for the determination of statutory minimum wage levels;

Amendment

(a) the selection and application of criteria and indicative reference values referred to in Article 5 for the determination of the level of the statutory minimum wage;

Amendment 75

Proposal for a directive
Article 7 – paragraph 1 – point b

Text proposed by the Commission

(b) the updates of statutory minimum wage levels referred to in Article 5 \(4\);

Amendment

(b) the updating of the statutory minimum wage referred to in Article 5;

Amendment 76

Proposal for a directive
Article 7 – paragraph 1 – point c

Text proposed by the Commission

(c) the establishment of variations and deductions in statutory minimum wages referred to in Article 6;

Amendment

deleted

Amendment 77

Proposal for a directive
Article 7 – paragraph 1 – point d

Text proposed by the Commission

(d) the collection of data and the carrying out of studies for the information of statutory minimum wage setting authorities;

Amendment

(d) the collection of data and the carrying out of studies and analysis to provide information to authorities and to the relevant parties involved in statutory minimum wage setting;
Amendment 78
Proposal for a directive
Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

Social partners shall have access to relevant information and the possibility to provide opinions and receive reasoned answers before any proposal is presented and before any decision is taken.

Amendment 79
Proposal for a directive
Article 8 – title

Text proposed by the Commission

Amendment

Monitoring compliance and effective access of workers to statutory minimum wages

Amendment 80
Proposal for a directive
Article 8 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

Member States shall, in cooperation with social partners, take the following measures to enhance the access of workers to statutory minimum wage protection as appropriate:

Member States with statutory minimum wages in cooperation with social partners, shall take at least the following measures to enhance the access of workers to statutory minimum wage protection and to monitor and ensure compliance with this Directive:

Amendment 81
Proposal for a directive
Article 8 – paragraph 1 – point 1

Text proposed by the Commission

(1) strengthen the controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages. The controls and inspections shall be proportionate and non-discriminatory;

Amendment

(1) improve and strengthen controls and the intensity and frequency of field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages and ensure the availability of adequate resources in that regard, so that those controls and inspections are effective, dissuasive, proportionate and non-discriminatory;

Amendment 82

Proposal for a directive

Article 8 – paragraph 1 – point 2

Text proposed by the Commission

(2) develop guidance for enforcement authorities to proactively target and pursue non-compliant businesses;

Amendment

(2) develop capacity building, training and guidance for enforcement authorities to proactively target and pursue non-compliant employers, particularly in view of routine and unannounced visits, legal proceedings and dissuasive sanctions in the case of infringements;

Amendment 83

Proposal for a directive

Article 8 – paragraph 1 – point 3

Text proposed by the Commission

(3) ensure that information on statutory minimum wages is made publicly available in a clear, comprehensive and easily accessible way.

Amendment

(3) ensure that information on statutory minimum wages and redress mechanisms referred to in Article 11 is made publicly available in a clear, comprehensive and easily accessible way and in formats accessible to all, in particular to persons with disabilities and non-native speakers in relevant languages, and that workers have access to guidance in the event that employers infringe the requirement to pay
the statutory minimum wage;

Amendment 84
Proposal for a directive
Article 8 – paragraph 1 – point 3 a (new)

Text proposed by the Commission

Amendment

(3a) provide workers and employers, upon the request of both, with access to mediation or dispute settlement.

Amendment 85
Proposal for a directive
Article 9 – paragraph 1

Text proposed by the Commission

In accordance with Directive 2014/24/EU, Directive 2014/25/EU and Directive 2014/23/EU, Member States shall take appropriate measures to ensure that in the performance of public procurement or concession contracts economic operators comply with the wages set out by collective agreements for the relevant sector and geographical area and with the statutory minimum wages where they exist.

In accordance with Directives 2014/24/EU, 2014/25/EU and 2014/23/EU, Member States and in particular their competent authorities, shall take appropriate measures, including the possibility to introduce mandatory awarding and contract performance conditions, to ensure that in the performance of public procurement or concession contracts economic operators and their subcontractors recognise trade unions in order to promote minimum wage protection, recognise the right of workers to organise, take part in collective bargaining, and comply with the remuneration and other working conditions established by law or collective agreements for the relevant sector and/or geographical area and with the statutory minimum wages where they exist, as well as with Union, national and international labour and social law.
Amendment 86

Proposal for a directive
Article 10 – paragraph 1

Text proposed by the Commission

1. Member States shall task their competent authorities with developing effective data collection tools to monitor the coverage and adequacy of minimum wages.

Amendment

1. Member States shall task their competent authorities with the development of effective data collection tools, to monitor the coverage of minimum wages as well as the coverage of collective bargaining on remuneration and the adequacy and fairness of statutory minimum wages. Employers, in particular SMEs and microenterprises, shall not bear an unnecessary administrative burden with regard to the implementation of this paragraph. The competent authorities shall involve social partners during the course of the development of those data collection tools.

Amendment 87

Proposal for a directive
Article 10 – paragraph 2 – subparagraph 1 – point a – point ii

Text proposed by the Commission

(ii) the existing variations and the share of workers covered by them;

Amendment

(ii) the existing variations, the share of workers covered by them and the justifications provided;

Amendment 88

Proposal for a directive
Article 10 – paragraph 2 – subparagraph 1 – point a – point iii

Text proposed by the Commission

(iii) the existing deductions;

Amendment

(iii) the existing deductions and the justifications provided;
Amendment 89
Proposal for a directive
Article 10 – paragraph 2 – subparagraph 1 – point a – point iv

Text proposed by the Commission
(iv) the rate of collective bargaining coverage.

Amendment
(iv) the rate and development of collective bargaining coverage with regard to remuneration;

Amendment 90
Proposal for a directive
Article 10 – paragraph 2 – subparagraph 1 – point b – point ii

Text proposed by the Commission
(ii) the rate of collective bargaining coverage;

Amendment
(ii) the rate and development of collective bargaining coverage with regard to remuneration;

Amendment 91
Proposal for a directive
Article 10 – paragraph 2 – point b a (new)

Text proposed by the Commission
(ba) for national action plans:

Amendment

Amendment 92
Proposal for a directive
Article 10 – paragraph 2 – subparagraph 1 – point b a (new)

Text proposed by the Commission
(i) the progress and effectiveness of the measures and initiatives taken with a view to promoting collective bargaining and increasing the rate of collective bargaining coverage in accordance with Article 4(2);
Amendment 93
Proposal for a directive
Article 10 – paragraph 2 – point b a – point ii (new)

Text proposed by the Commission

(ii) the impact of public procurement policy on increasing the rate of collective bargaining;

Amendment

Amendment 94
Proposal for a directive
Article 10 – paragraph 3

Text proposed by the Commission

3. Member States shall ensure that information regarding minimum wage protection, including collective agreements and wage provisions therein, is transparent and publicly accessible.

Amendment

3. Member States shall ensure that information regarding statutory minimum wage protection, including universally applicable collective agreements and wage provisions therein, is transparent and publicly accessible, including to persons with disabilities. Member States may, after consulting social partners and in accordance with national law and practice, maintain or introduce further transparency requirements.

Amendment 95
Proposal for a directive
Article 10 – paragraph 4

Text proposed by the Commission

4. The Commission shall assess the data transmitted by the Member States in the reports referred to in paragraph 2, and shall report annually to the European Parliament and to the Council.

Amendment

4. The Commission shall assess the data transmitted by the Member States in the reports referred to in paragraph 2, and shall submit a report to the European Parliament and to the Council in November each year. The Commission shall, simultaneously, publish the data referred to in paragraph 2.
Amendment 96

Proposal for a directive
Article 10 – paragraph 5

Text proposed by the Commission

5. **On the basis of the report issued by the Commission, the Employment Committee set up in accordance with Article 150 TFEU shall carry out every year an examination of the promotion of collective bargaining on wage setting and of the adequacy of minimum wages in the Member States.**

Amendment

5. **The Employment Committee referred to in Article 150 TFEU shall carry out an annual examination of the Commission reports referred to in paragraph 4 in order to assess the extent of and the respect for the right to collective bargaining, the promotion of collective bargaining on wage setting, the rate of increase in collective bargaining coverage regulating remuneration, and the adequacy and fairness of statutory minimum wages in the Member States, in accordance with this Directive. The Employment Committee shall, while carrying out the examination, ensure the participation of Union cross-sectoral social partners representatives, ensuring six participants from each side of industry.**

Amendment 97

Proposal for a directive
Article 11 – paragraph 1

Text proposed by the Commission

1. **Member States shall ensure that, without prejudice to specific forms of redress and dispute resolution provided for, where applicable, in collective agreements, workers, including those whose employment relationship has ended, have access to effective and impartial dispute resolution and a right to redress, including adequate compensation, in the case of infringements of their rights relating to statutory minimum wages or minimum wage protection provided by collective agreements.**

Amendment

1. **Member States with statutory minimum wages shall ensure that workers, including those whose employment relationship has ended, and representatives acting on their behalf, have access to effective, timely and impartial dispute resolution and a right to redress, including adequate compensation and the recovery of remuneration due, in the case of infringements of their rights, including the right to organise in order to take collective action and bargain collectively on remuneration, as well as their rights relating to statutory minimum wages or**
minimum wage protection provided by universally applicable collective agreements, without prejudice to specific forms of compensation, redress and dispute resolution provided for in those collective agreements.

Amendment 98
Proposal for a directive
Article 11 – paragraph 2

Text proposed by the Commission

2. Member States shall take the measures necessary to protect workers, including those who are workers’ representatives, from any adverse treatment by the employer and from any adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing compliance with the rights relating to statutory minimum wages or minimum wage protection provided by collective agreements.

Amendment

2. Member States shall take the measures necessary to protect workers, including workers’ representatives or the members and representatives of trade unions, from any adverse treatment by the employer or by related third parties engaging in adverse treatment and from any adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing their rights to organise, in order to take part in collective action and negotiate their remuneration collectively, as well as compliance with national law and collective agreements within the scope of this Directive.

Amendment 99
Proposal for a directive
Article 12 – paragraph 1

Text proposed by the Commission

Member States shall lay down the rules on penalties applicable to infringements of national provisions. The penalties provided for shall be effective, proportionate and dissuasive.

Amendment

Member States shall, without prejudice to specific forms of contractual penalties provided for, where applicable, in rules on the enforcement of collective agreements, lay down the rules on penalties applicable to infringements of national measures transposing this Directive, or of relevant provisions already in force or collective agreements concerning the rights which
are within the scope of this Directive. The penalties provided for shall be effective, proportionate and dissuasive.

Amendment 100
Proposal for a directive
Article 13 – paragraph 1

Text proposed by the Commission
Member States may entrust the social partners with the implementation of this Directive, where the social partners jointly request to do so. In so doing, the Member States shall take all necessary steps to ensure that the results sought by this Directive are guaranteed at all times.

Amendment
Member States shall ensure the timely consultation and effective involvement of social partners with regard to the development and implementation of national measures transposing this Directive and may entrust the social partners with the implementation of this Directive, where the social partners jointly request to do so. In so doing, the Member States shall take all necessary steps to ensure that the obligations laid down in this Directive are complied with at all times.

Amendment 101
Proposal for a directive
Article 14 – paragraph 1

Text proposed by the Commission
Member States shall ensure that the national measures transposing this Directive, together with the relevant provisions already in force relating to the subject matter as set out in Article 1, are brought to the attention of workers and employers, including SMEs.

Amendment
Member States shall ensure that the national measures transposing this Directive, together with the relevant provisions already in force relating to the subject matter as set out in Article 1, are brought to the attention of workers and employers, including SMEs, as well as the general public.

Amendment 102
Proposal for a directive
Article 15 – paragraph 1

Text proposed by the Commission

The Commission shall conduct an evaluation of the Directive by [five years after the date of transposition]. The Commission shall submit thereafter a report to the European Parliament and the Council reviewing the implementation of the Directive and propose, where appropriate, legislative amendments.

Amendment

The Commission shall conduct an evaluation of this Directive by [five years after the date of transposition]. The Commission shall, after consulting the Member States and the social partners at Union level, submit thereafter a report to the European Parliament and the Council reviewing the implementation of the Directive and propose, where appropriate, legislative amendments.

Amendment 103

Proposal for a directive

Article 16 – paragraph 1

Text proposed by the Commission

1. This Directive shall not constitute valid grounds for reducing the general level of protection already afforded to workers within Member States.

Amendment

1. This Directive shall not constitute valid grounds for reducing the general level of protection already afforded to workers within Member States, in particular with regard to the lowering or abolition of minimum wages and shall not be construed as preventing Member States from increasing statutory minimum wages.

Amendment 104

Proposal for a directive

Article 16 – paragraph 3

Text proposed by the Commission

3. This Directive is without prejudice to any other rights conferred on workers by other legal acts of the Union.

Amendment

3. This Directive is without prejudice to any rights conferred on workers by other legal acts of the Union.

Amendment 105
Article 16 – paragraph 3 a (new)

*Text proposed by the Commission*

3a. This Directive shall not affect the right of social partners to negotiate and conclude collective agreements. Nothing in this Directive shall be interpreted as restricting or adversely affecting the rights of both workers and trade unions as recognised by Union or international law or by international agreements to which the Union or the Member States are party.

Amendment 106

Proposal for a directive
Article 17 – paragraph 2

*Text proposed by the Commission*

2. Member States shall communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive.

*Amendment*

2. Member States shall communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive. They shall also communicate the manner in which the social partners have been involved in the development and implementation of those measures.
OPINION OF THE COMMITTEE ON LEGAL AFFAIRS ON THE LEGAL BASIS

Ms Lucia Ďuriš Nicholsonová
Chair
Committee on Employment and Social Affairs
BRUSSELS


Dear Ms Chair,


JURI considered the above question at its meeting of 28 October 2021.

I - Background

On 28 October 2020, the Commission adopted a legislative proposal on adequate minimum wages in the European Union. The Commission proposal is based on Article 153(2) TFEU in conjunction with Article 153(1)(b). Article 153(2) allows setting minimum requirements by the means of directives while Article 153(1)(b) prescribes the Union to support and complement the activities of Member States inter alia in the field of working conditions.

In its request, the Committee on Employment and Social Affairs (EMPL) indicates that the Legal Service suggested in its Opinion of 28 September 2021, that “Article 153(2) TFEU, currently indicated as the legal basis of the Proposal, should be substituted by a more exact reference to Article 153(2)(b) TFEU.”

In view of the above, EMPL requested JURI to provide an opinion on the appropriateness of the legal basis for the proposal.

It should also be noted that a number of amendments tabled in the EMPL committee introduce legal bases that are not in the initial proposal (amendments 85, 86 and 92). Other amendments propose that Parliament reject the Commission proposal (amendments 80, 81, 82, 83, 84)

---

1 D(2021) 21141.
justifying the rejection *inter alia* because “the EU has no competence when it comes to pay” (amendment 82).

The EMPL committee is currently considering the proposal and foresees the vote in committee and announcement of a mandate for negotiations in plenary respectively on 11 and 22 November 2021.

II - The relevant Treaty Articles

Title X of the Treaty on the Functioning of the European Union entitled “Social policy” includes the relevant provisions that read as follows (our emphasis):

*Article 151*

(ex Article 136 TEC)

The Union and the Member States, having in mind fundamental social rights such as those set out in the European Social Charter signed at Turin on 18 October 1961 and in the 1989 Community Charter of the Fundamental Social Rights of Workers, shall have as their objectives the promotion of employment, improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained, proper social protection, dialogue between management and labour, the development of human resources with a view to lasting high employment and the combating of exclusion.

To this end the Union and the Member States shall implement measures which take account of the diverse forms of national practices, in particular in the field of contractual relations, and the need to maintain the competitiveness of the Union economy.

They believe that such a development will ensue not only from the functioning of the internal market, which will favour the harmonisation of social systems, but also from the procedures provided for in the Treaties and from the approximation of provisions laid down by law, regulation or administrative action.

*Article 153*

(ex Article 137 TEC)

1. With a view to achieving the objectives of Article 151, the Union shall support and complement the activities of the Member States in the following fields:

(a) improvement in particular of the working environment to protect workers' health and safety;

(b) working conditions;

(c) social security and social protection of workers;
(d) protection of workers where their employment contract is terminated;
(e) the information and consultation of workers;
(f) representation and collective defence of the interests of workers and employers, including co-determination, subject to paragraph 5;
(g) conditions of employment for third-country nationals legally residing in Union territory;
(h) the integration of persons excluded from the labour market, without prejudice to Article 166;
(i) equality between men and women with regard to labour market opportunities and treatment at work;
(j) the combating of social exclusion;
(k) the modernisation of social protection systems without prejudice to point (c).

2. To this end, the European Parliament and the Council:

(a) may adopt measures designed to encourage cooperation between Member States through initiatives aimed at improving knowledge, developing exchanges of information and best practices, promoting innovative approaches and evaluating experiences, excluding any harmonisation of the laws and regulations of the Member States;

(b) may adopt, in the fields referred to in paragraph 1(a) to (i), by means of directives, minimum requirements for gradual implementation, having regard to the conditions and technical rules obtaining in each of the Member States. Such directives shall avoid imposing administrative, financial and legal constraints in a way which would hold back the creation and development of small and medium-sized undertakings.

The European Parliament and the Council shall act in accordance with the ordinary legislative procedure after consulting the Economic and Social Committee and the Committee of the Regions.

In the fields referred to in paragraph 1(c), (d), (f) and (g), the Council shall act unanimously, in accordance with a special legislative procedure, after consulting the European Parliament and the said Committees.

The Council, acting unanimously on a proposal from the Commission, after consulting the European Parliament, may decide to render the ordinary legislative procedure applicable to paragraph 1(d), (f) and (g).
3. A Member State may entrust management and labour, at their joint request, with the implementation of directives adopted pursuant to paragraph 2, or, where appropriate, with the implementation of a Council decision adopted in accordance with Article 155.

In this case, it shall ensure that, no later than the date on which a directive or a decision must be transposed or implemented, management and labour have introduced the necessary measures by agreement, the Member State concerned being required to take any necessary measure enabling it at any time to be in a position to guarantee the results imposed by that directive or that decision.

4. The provisions adopted pursuant to this Article:

— shall not affect the right of Member States to define the fundamental principles of their social security systems and must not significantly affect the financial equilibrium thereof;

— shall not prevent any Member State from maintaining or introducing more stringent protective measures compatible with the Treaties.

5. The provisions of this Article shall not apply to pay, the right of association, the right to strike or the right to impose lock-outs.

III – CJEU case law on the choice of legal basis

The Court of Justice has traditionally viewed the question of the appropriate legal basis as an issue of constitutional significance, guaranteeing compliance with the principle of conferred powers (Article 5 TEU) and determining the nature and scope of the Union’s competence.\(^3\)

According to settled case law of the Court of Justice, “the choice of legal basis for a Community measure must rest on objective factors amenable to judicial review, which include in particular the aim and content of the measure”.\(^4\) The choice of an incorrect legal basis may therefore justify the annulment of the act in question. In this context, an institution’s wish for more active participation in the adoption of a given measure, the circumstances in which a measure was adopted as well as the work that has been done in other aspects within the scope of action covered by a given measure are irrelevant for the identification of the correct legal basis.\(^5\)

If examination of a measure reveals that it pursues a twofold purpose or that it has a twofold component one of which is identifiable as the main or predominant purpose or component, whereas the other is merely incidental, that measure must be based on a single legal basis, namely that required by the main or predominant purpose or component.\(^6\) Exceptionally, where a measure has several contemporaneous objectives or components, which are indissociably

\(^3\) Opinion 2/00, ECLI:EU:C:2001:664, para 5.


\(^5\) Judgment in Commission v Council, C-269/97, ECLI:EU:C:2000:183, para 44.

linked, without one being secondary and indirect in relation to the other(s), such a measure will have to be based on the various corresponding legal bases. This would however only be possible if the procedures laid down for the respective legal bases are not incompatible with each others and do not undermine the right of the European Parliament. Further, the measure chosen has to comply with the prescribed type of the legislative act when specified in the Treaty.

IV – Aim and content of the proposed measure

It is proposed to first look into the main aim and content of the proposal in order to assess the appropriateness of the legal basis, i.e. to assess whether Article 153(2) in conjunction with point (b) of Article 153(1) constitute the correct legal basis for the proposed directive.

In its explanatory memorandum, the Commission explains that “[e]nsuring that workers in the Union earn adequate wages is essential to guarantee adequate working and living conditions”. It further indicates that the main aim of the proposal is “to ensure that the workers in the Union are protected by adequate minimum wages allowing for a decent living wherever they work.”

The Commission states that “In order to reach this general objective, the proposal establishes a framework to improve the adequacy of minimum wages and to increase the access of workers to minimum wage protection” and further clarifies that “the proposed Directive is designed to achieve these objectives while taking into account and fully respecting the specificities of national systems, national competencies, social partners’ autonomy and contractual freedom.” It also states that “[i]n order to reach these objectives, the proposed Directive aims at promoting collective bargaining on wages in all Member States.”

When it comes to content, the proposal sets out in Article 1 that:

“With a view to improving working and living conditions in the Union, this Directive establishes a framework for:

(a) setting adequate levels of minimum wages;

(b) access of workers to minimum wage protection, in the form of wages set out by collective agreements or in the form of a statutory minimum wage where it exists.”

Recital 15 provides additionally that the proposal “establishes minimum requirements at Union level to ensure both that minimum wages are set at adequate level and that workers have access to minimum wage protection, in the form of a statutory minimum wage or in the form of wages set under collective agreements as defined for the purpose of this Directive.”

The proposal clarifies further that, “[i]n full respect of Article 153(5) of the Treaty on the Functioning of the European Union, this Directive neither aims to harmonise the level of minimum wages across the Union nor to establish an uniform mechanism for setting minimum wages. It does not interfere with the freedom of Member States to set statutory minimum wages

---

7 Case C-211/01, Commission v Council, ECLI:EU:C:2003:452, para. 40; Case C-178/03 Commission v European Parliament and Council, ECLI:EU:C:2006:4, paras. 43-56.
or promote access to minimum wage protection provided by collective agreements, according to the traditions and specificities of each country and in full respect of national competences and social partners’ contractual freedom. This Directive does not impose an obligation on the Member States where minimum wage protection is ensured exclusively via collective agreements to introduce a statutory minimum wage nor to make the collective agreements universally applicable. Also, this Directive does not establish the level of pay, which falls within the contractual freedom of the social partners at national level and within the relevant competence of Member States.” (Recital 16).

Article 4(1) requires Member States to take action to promote “the capacity of the social partners to engage in collective bargaining on wage setting”, and to “encourage constructive, meaningful and informed negotiations on wages among social partners”. Also, Member States where collective bargaining coverage is less than 70% of the workers shall in addition provide for a framework of enabling conditions for collective bargaining and shall establish an action plan to promote collective bargaining (Article 4(2)).

In its Article 5, the proposal, with a view to ensuring statutory minimum wage adequacy, requires Member States with statutory minimum wages to provide for national criteria for statutory minimum wage setting and updating defined in a stable and clear way; regular and timely updates of statutory minimum wages; and the establishment of consultative bodies to advise the competent authorities on issues related to statutory minimum wages. The proposal states that “Member States shall define those criteria in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements.”

Article 6(1) limits the use of statutory minimum wage variations and their application in time and extent. First, it states that “Member States may allow different rates of statutory minimum wage for specific groups of workers” and then further states that “Member States shall keep these variations to a minimum, and ensure that any variation is non-discriminatory, proportionate, limited in time if relevant, and objectively and reasonably justified by a legitimate aim”. It also provides for protection of statutory minimum wages against unjustified or disproportionate deductions: “Member States may allow deductions by law that reduce the remuneration paid to workers to a level below that of the statutory minimum wage. Member States shall ensure that these deductions from statutory minimum wages are necessary, objectively justified and proportionate.”(Article 6(2))

Article 7 requires an effective and timely involvement of social partners in setting and updating of statutory minimum wages.

In order to enhance the access of workers to statutory minimum wage protection, Article 8 requires Member States to take the necessary action, in cooperation with the social partners, to ensure effective access of workers to statutory minimum wage protection. The required action could consist, “as appropriate”, in reinforcing the controls and field inspections system, providing guidance for enforcement authorities, giving workers adequate information on applicable statutory minimum wages.

Chapter III on horizontal provisions contains accompanying measures that provide certain procedural safeguards aiming at the effective compliance with the obligations set out in the proposal in particular with respect to the obligations provided for in Chapters I and II. Chapter
IV on final provisions does not have significant relevance for the assessment of the legal basis of the Proposal.

V – Analysis and establishment of the appropriate legal basis

First of all, it arises from the aim and content of the proposal that having access to a minimum wage guaranteeing a decent standard of living constitutes an element of “working conditions”.

Article 1 refers to the aim of “improving working and living conditions in the Union” which is a clear reference to Article 153(1)(b) TFEU. The Legal Service notes in this regards that “the access to and the adequacy of minimum wages have been taken into consideration as a ‘working condition’ on its own, which is put forward as the subject matter of the entire legislative act”.

Recital 6 explains that “[b]etter working and living conditions, including through adequate minimum wages, benefit both workers and businesses in the Union and are a prerequisite for achieving inclusive and sustainable growth. Addressing large differences in the coverage and adequacy of minimum wage protection contributes to improving the fairness of the EU labour market and promote economic, social progress and upward convergence.” Recital 7 continues by saying that “[w]hen set at adequate levels, minimum wages protect the income of disadvantaged workers, help ensure a decent living, and limit the fall in income during bad times (…)”. Recital 8 states that “[d]uring economic downturns, such as the Covid-19 crisis, the role of minimum wages in protecting low-wage workers becomes increasingly important and is essential to support a sustainable and inclusive economic recovery.”

The Commission’s explanatory statement explains that “the proposed Directive aims to ensure that the workers in the Union are protected by adequate minimum wages allowing for a decent living wherever they work.” It acknowledges that “[w]hile pay at national level falls unequivocally under the competence of the Member States, the large differences in standards for accessing an adequate minimum wage are part of working conditions”.

It must be noted that, according to case-law, Article 153(5) TFEU which excludes “pay” from the application of Article 153(1) to (4) must be interpreted strictly as covering measures that “amount to direct interference by EU law in the determination of pay within the European Union”. According to the Court, the “pay” exception “cannot be extended to any question involving any sort of link with pay; otherwise some of the areas referred to in Article 153(1) TFEU would be deprived of much of their substance”. The Legal Service concludes that, in line with the Court’s case law, “insofar as EU legislation tackles pay-related issues under the angle of working conditions, without interfering with any fundamental matters reserved in this field for the Member States (…), such legislation would remain within the scope of Article 153 TFEU without being precluded by Article 153(5) TFEU.

Second of all, Article 1(1) of the proposal refers to the establishment of a “framework” covering “setting adequate levels of minimum wages” and “access of workers to minimum wage

---

The proposal tackles the issue of minimum wages as an essential “working condition”, whose determination should be guided by “criteria set to promote adequacy” (Article 5) and provides for a safeguard that the notions of “minimum wages” and their “adequacy” are not deprived of all content by means of excessive variations and deductions (Article 6). The Legal Service notes that Article 6 does not regulate directly the level of minimum wages as such, but still respects the discretion of the Member States in deciding upon the specific character, scope and/or amount of deductions and variations within the overarching aspiration for “adequacy”.

This is in line with the “minimum requirements for gradual implementation” as provided for in Article 153(2)(b) TFEU which allows the European Parliament and the Council to set minimum requirements for gradual implementation by the means of directives, having regard to the conditions and technical rules obtaining in each of the Member States, while avoiding imposing administrative, financial and legal constraints in a way which would hold back the creation and development of small and medium-sized undertakings.

Regarding Article 153(2), it should be noted that although the proposal is based on “Article 153(2) in conjunction with point (b) of Article 153(1)” (citation 1), the explanatory memorandum refers, when it comes to Article 153(2) only to point b: “Article 153(2) allows setting minimum requirements by the means of directives, while avoiding imposing administrative, financial and legal constraints in a way which would hold back the creation and development of small and medium-sized undertakings.”

In this regards, the Legal Service notes that “points (a) and (b) of Article 153(2) TFEU, as more specific provisions, should be identified explicitly, as the case may be, as the correct legal bases for the EU legislation adopted in the field of social policy as framed in Article 153 TFEU. For that reason, Article 153(2) TFEU, currently indicated as the legal basis of the Proposal, should be substituted by a more exact reference to Article 153(2)(b) TFEU.”

It should be noted, however, that subparagraph 2 of Article 153(2) TFEU, which provides that the European Parliament and the Council shall act in accordance with the ordinary legislative procedure, is outside Article 153(2)(b). As a consequence, indicating Article 153(2) as a legal basis, without specifying the specific provision of it, does not seem to be erroneous in this respect.

In light of the above, it appears that the main aim of the proposal is to improve working conditions by establishing a framework for workers in the Union to have access to minimum wage protection and that Article 153(2) in conjunction with point (b) of Article 153(1) is an appropriate legal basis for the proposal.

Finally, it should be mentioned that the Legal Service suggest minor redrafting of Article 4 in order to eliminate existing discrepancies although it considers that the provision does not go beyond the scope of Article 153(1)(b) TFEU. Similarly, in order to clarify that the proposal
does not go beyond it intended scope and as suggested by the Legal Service, the first sentences of paragraphs 1 and 2 of Article 6 that provide that Member States may allow, respectively, for “different rates of statutory minimum wage for specific groups of workers” and for “deductions by law that reduce the remuneration paid to workers to a level below that of the statutory minimum wage” should be deleted or redrafted, possibly in the form of a recital, as they appear to have as intended meaning that it is of the competence of Member States to allow or not for variations and deductions (rather than as a possibility granted by the proposed directive in this regard to the Member States).

VI - Conclusion and recommendation

At its meeting of 28 October 2021 the Committee on Legal Affairs accordingly decided by 23 votes in favour, 1 against and no abstention\(^{10}\), to recommend to the Committee on Employment and Social Affairs that Article 153(2) in conjunction with point (b) of Article 153(1) is the appropriate legal basis for the proposal for a Directive of the European Parliament and of the Council on adequate minimum wages in the European Union and that the reference to Article 153(2) TFEU could be substituted by a more specific reference to Article 153(2)(b) TFEU.

Yours sincerely,

Adrián Vázquez Lázara

---

\(^{10}\) The following Members were present for the final vote: Adrián Vázquez Lázara (Chair), Sergey Lagodinsky (Vice-Chair), Ibán García del Blanco (Vice-Chair), Marion Walsmann (Vice-Chair), Raffaele Stancanelli (Vice-Chair), Pascal Arimont, Manon Aubry, Alessandra Basso, Gunnar Beck, Patrick Breyer, Daniel Buda, Geoffroy Didier, Pascal Durand, Angel Dzhambazki, Evelyne Gebhardt, Jean-Paul Garraud, Esteban González Pons, Heidi Hautala, Mislav Kolakušić, Gilles Lebréton, Angelika Niebler, Jiří Pospíšil, Franco Roberto, Nacho Sánchez Amor, Stéphane Séjourné, Liesje Schreinemacher, Yana Toom, Axel Voss, Tiemo Wölken, Lara Wolters, Javier Zarzalejos.
OPINION OF THE COMMITTEE ON WOMEN’S RIGHTS AND GENDER EQUALITY

for the Committee on Employment and Social Affairs

on the proposal for a directive of the European Parliament and of the Council on adequate minimum wages in the European Union
(COM(2020)0682 – C9-0337/2020 – 2020/0310(COD))

Rapporteur for opinion: Lina Gálvez Muñoz

SHORT JUSTIFICATION

For the International Labour Organization (ILO), the purpose of minimum wages is to protect workers against unduly low pay, since they help to ensure a just and equitable share of the fruits of progress to all, and a minimum living wage to all who are employed and in need of such protection. Minimum wages can also be one element of a policy to overcome poverty and reduce inequality, including those between men and women.

This last point is especially relevant having in mind that some studies as Eurofound “Minimum wages in 2020: Annual review”¹, show while women constitute 48% of employees at the European Union, they make up 59% of minimum wage earners. In fact, the majority of minimum wage earners in Europe are women. Women are too one of the main sub-minimum wage earners as well are young workers, workers with lower education, or rural workers with dependent children.

This is especially relevant in some sectors that have proved to be essential during the COVID19 pandemic, as the paid long-term care one. Figures show that around four-fifths (81%) of the EU’s Long Term Care workforce was female, while one-fifth (19%) was male and the biggest impacts of the COVID-19 crisis have been experienced by women working in low-paid services sectors, as care one is².

Care can be provided on unpaid and paid basis, and within paid basis, could be provided from the public sector or from the private one, within formal or informal work arrangement, making this sector extremely sensible to overcome minimum wages agreements especially when talking about domestic workers. Policy action to improve working conditions in Long Term Care and to improve access to high-quality jobs in this sector has a gender dimension,

so why extending minimum wages to cover domestic workers can extensively contribute to reducing inequality.

In addition, the current crisis presents an opportunity to re-evaluate the adequacy of wages in some mostly female-dominated low-paid sectors, which have proved to be essential and of a great social value during the crisis. In this sense, the European Framework Directive has to contribute to upward social and wage convergence and to fight against poverty, inequalities and the gender pay gap, especially to avoid undervaluing of work predominantly done by women.

The gender employment gap (11.4 %), gender pay gap (14 %) and gender pension gap (30 %) remain unacceptably high and the close of the gender employment gap is a social and economic imperative also for reducing poverty and child poverty. The use of intersectional disaggregated data by gender and the periodical assessment are needed in order to check the advance of improving employment opportunities for women and different groups of women. Ensuring equal pay and facilitating a good work-life balance, also for men, are vital to sustainable economic growth and development, productivity, and long-term fiscal sustainability in the EU and their population well-being including children.

**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 directive**
**Recital 1**

*Text proposed by the Commission*

(1) Pursuant to Article 3 of the Treaty on European Union, the aims of the Union are, inter alia, to promote the well-being of its peoples and to work for the sustainable development of Europe based on a highly competitive social market economy.

*Amendment*

(1) Pursuant to Article 3 of the Treaty on European Union, the aims of the Union are, inter alia, to promote gender equality and social justice, and the well-being of its peoples and to work for the sustainable development of Europe based on a highly competitive social market economy.

**Amendment 2**

**Proposal for a directive**
**Recital 1 a (new)**

---

3 Women and labour market equality: Has COVID-19 rolled back recent gains? (europa.eu)
Text proposed by the Commission

Amendment

(1a) Pursuant to Article 27 of the Charter of Fundamental Rights of the European Union, workers or their representatives have a right to be informed and consulted in good time in the cases and under the conditions provided for by Union law and national laws and practices.

Amendment 3

Proposal for a directive
Recital 2

Text proposed by the Commission

(2) Article 31 of the Charter of Fundamental Rights of the European Union\(^\text{36}\) provides for the right of every worker to working conditions which respect his or her health, safety and dignity.

---


Amendment 4

Proposal for a directive
Recital 2 a (new)

Text proposed by the Commission

(2a) Article 23 of the Charter of Fundamental Rights of the European Union provides for the right to equality between women and men in all areas, including employment, work and pay;
Amendment 5
Proposal for a directive
Recital 2 b (new)

Text proposed by the Commission

(2b) Article 21 of the Charter of Fundamental Rights of the European Union provides for the right to non-discrimination on the basis of sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation.

Amendment 6
Proposal for a directive
Recital 2 c (new)

Text proposed by the Commission

(2c) Article 7 of the International Covenant on Economic, Social and Cultural Rights recognises the right of everyone to fair wages and equal remuneration for work of equal value, and a decent living for themselves and their families.

Amendment 7
Proposal for a directive
Recital 3

Text proposed by the Commission

(3) The European Social Charter establishes that all workers have the right to just conditions of work. It recognises the right of all workers to a fair remuneration sufficient for a decent standard of living for themselves and their families. Article 4 of the Charter recognises the role of freely concluded collective agreements as well as

(3) The European Social Charter establishes that all workers, including among others young people, domestic workers and carers, have the right to just conditions of work. It recognises the right of all workers to a fair remuneration sufficient for a decent standard of living for themselves and their families, the right to
equal pay for work of equal value and the right of workers to equal opportunities and equal treatment in matters of employment and occupation without discrimination. It establishes the right to protection against poverty and social exclusion, and it contributes to reducing the existing pay gap between men and women. Article 4 of the Charter recognises the role of freely concluded collective agreements and of statutory minimum wage setting mechanisms, to ensure the effective exercise of this right.

Amendment 8
Proposal for a directive
Recital 4

Text proposed by the Commission

(4) Chapter II of the European Pillar of Social Rights, proclaimed at Gothenburg on 17 November 2017, establishes a set of principles to serve as a guide towards ensuring fair working conditions. Principle No 6 of the European Pillar of Social Rights reaffirms the workers’ right to fair wages that provide for a decent standard of living. It also provides that adequate minimum wages shall be ensured, in a way that provides for the satisfaction of the needs of the worker and his/her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. Furthermore, it recalls that in-work poverty shall be prevented and that all wages shall be set in a transparent and predictable way and respecting the autonomy of the social partners.

Amendment

(4) Chapter II of the European Pillar of Social Rights, proclaimed at Gothenburg on 17 November 2017, establishes a set of principles to serve as a guide towards ensuring fair working conditions. Principles No 2 and No 3 provide for equality of treatment and opportunities between genders regarding participation in the labour market and terms and conditions of employment and career progression, regardless of racial or ethnic origin, religion or belief, disability, age or sexual orientation. Principle No 6 of the European Pillar of Social Rights reaffirms the workers’ right to fair wages that provide for a decent standard of living. It also provides that adequate minimum wages shall be ensured, in a way that provides for the satisfaction of the needs of the worker and his/her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. Furthermore, it recalls that in-work poverty shall be prevented and that all wages shall be set in a transparent and predictable way and respecting the autonomy of the social partners.
Amendment 9

Proposal for a directive
Recital 5 a (new)

Text proposed by the Commission

(5a) Equality between men and women is a fundamental principle of the Union. Pursuant to Article 3 of the Treaty on European Union, the promotion of equality between women and men is one of the Union’s aims and pursuant to Article 8 of the Treaty on the Functioning of the European Union equality between men and women is to be promoted in all activities of the Union.

Amendment 10

Proposal for a directive
Recital 5 b (new)

Text proposed by the Commission

(5b) Under Article 21 of the Charter of Fundamental Rights of the European Union, any discrimination on any ground is prohibited, while Article 23 requires equality between women and men to be ensured in all areas, including employment, work and pay.

Amendment 11

Proposal for a directive
Recital 6

Text proposed by the Commission

(6) Better working and living conditions, including through adequate minimum wages and pay transparency,
businesses in the Union and are a prerequisite for achieving inclusive and sustainable growth. Addressing large differences in the coverage and adequacy of minimum wage protection contributes to improving the fairness of the EU labour market and promote economic, social progress and upward convergence. Competition in the Single Market should be based on high social standards, innovation and productivity improvements ensuring a level playing field.

**Amendment 12**

Proposal for a directive
Recital 6 a (new)

*Text proposed by the Commission*

(6a) According to the International Labour Organization (ILO), the purpose of minimum wages is to protect workers against unjustifiably low pay, which is predominant in the care sector. Policies to improve working conditions and access to high-quality jobs in the long-term care sector have a gender dimension, and extending minimum wages to cover care workers can extensively contribute to reducing inequality.

**Amendment 13**

Proposal for a directive
Recital 7

*Text proposed by the Commission*

(7) When set at adequate levels,
Minimum wages protect the income of disadvantaged workers, help ensure a decent living, and limit the fall in income during bad times, as recognised in Convention 131 of the International Labour Organisation on the establishment of a system of minimum wage fixing. Minimum wages contribute to sustaining domestic demand, strengthen incentives to work, reduce wage inequalities and in-work poverty.

Minimum wages protect the income of disadvantaged workers, help ensure a decent living, and limit the fall in income during times of crisis and through post-crisis periods, as recognised in Convention 131 of the International Labour Organisation on the establishment of a system of minimum wage fixing. Minimum wages contribute to sustaining domestic demand, strengthen incentives to work, reduce wage inequalities and help prevent and combat in-work poverty. Taking into account the over-representation of women in low-paying jobs, minimum wages can also make a significant contribution towards ensuring adequate pay for all and narrowing gender pay gaps.

Amendment 14

Proposal for a directive
Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) The COVID-19 crisis, during which some mostly female-dominated low-paid sectors such as care, cleaning, retail and education have proved to be essential and of high socio-economic value, highlights the need to reassess the adequacy of wages for occupations in those sectors which are often less valued and lower paid than in male-dominated sectors.

Amendment 15

Proposal for a directive
Recital 8
(8) Women, young and low-skilled workers and persons with disabilities have a higher probability of being minimum wage or low wage earners than other groups. During economic downturns, such as the Covid-19 crisis, the role of minimum wages in protecting low-wage workers becomes increasingly important and is essential to support a sustainable and inclusive economic recovery. Addressing minimum wage contributes to gender equality, closing the gender pay and pension gap as well as elevating women out of poverty.

(8a) Eurofound’s report “Minimum wages in 2020: Annual review”, shows
that women make up 59% of minimum wage earners, the majority of minimum wage earners in the Union. Therefore, any modification related to minimum wages will affect them disproportionally. Women are also one of the main groups of sub-minimum wage earners, together with single parents, young workers, workers with a lower level of education, and rural workers with dependent children.

Amendment 17
Proposal for a directive
Recital 8 b (new)

Text proposed by the Commission

(8b) During economic downturns, such as the COVID-19 crisis, minimum wages allow for people to have a decent living wherever they work. Protection of low-wage workers is particularly important for supporting a sustainable and inclusive economic recovery and reducing the gender pay and pension gap, as well as for elevating women out of poverty or social exclusion as the majority of minimum wage earners are women. The COVID-19 crisis presents an opportunity to increase efforts to secure sustainable and fair working conditions and decent wages, and to tackle gender stereotypes and reassess the adequacy of wages in some low-paid, mostly female-dominated, sectors and occupations.

Amendment 18
Proposal for a directive
Recital 8 c (new)

Text proposed by the Commission

(8c) Women’s overrepresentation in lower paid sectors and occupations, such
as hospitality, retail or personal services, healthcare, care and other essential sectors, made them particularly vulnerable to the labour and employment related impacts of the COVID-19 crisis, including the unprecedented rise in workload, health risks, and challenges to work-life balance.

Amendment 19
Proposal for a directive
Recital 8 d (new)

Text proposed by the Commission

(8d) This Directive should complement the EU Gender Equality Strategy 2020-2025 and contribute to the achievement of gender equality by promoting the participation of women in the labour market, on an equal basis, and helping to close gender gaps in earnings, pay and pension. It should take into account demographic changes including the effects of an ageing population. Moreover, it should also contribute to tackling the stereotypes ascribed to gender roles.

Amendment 20
Proposal for a directive
Recital 9

Text proposed by the Commission

(9) The Covid-19 pandemic is having a significant impact on the services sector and small firms, which both have a high share of minimum wage earners. In addition, minimum wages are also important in view of the structural trends that are reshaping labour markets and which are increasingly characterised by

(9) The Covid-19 pandemic and other crisis situations are having a significant and gender-related impact on the labour market, where women and female-dominated sectors are particularly hard hit, such as in the healthcare sector, care and other essential sectors, services sector and small firms, all of which have a high
high shares of non-standard and precarious work. These trends have led to an increased job polarisation resulting in an increasing share of low-paid and low-skilled occupations in most Member States, as well as to higher wage inequality in some of them.

share of minimum wage or low wage earners. Taking into account the over-representation of women in those sectors, women have seen an unprecedented rise in workload, health risks and challenges to work-life balance due to the increase in unpaid care and household work during the pandemic. In addition, minimum wages are also important in view of the structural trends that are reshaping labour markets and which are increasingly characterised by high shares of non-standard employment and precarious work such as platform workers and care and domestic workers. These trends have led to an increased job polarisation resulting in an increasing share of low-paid and low-skilled occupations in most Member States, as well as to higher wage inequality in some of them.

Amendment 21
Proposal for a directive
Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) Gender segregation in the labour market, which is due to the uneven concentration of women and men in different sectors, is a persistent problem in the Union. 3 in 10 women work in education, health and social work (8% of men), which are traditionally low-paid sectors.

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

Text proposed by the Commission

Amendment

(10a) Wage setting through collective agreements have proven to be beneficial from a broad socio-economic perspective,
contributing to a balanced development of wage formation and reducing in-work poverty.

Amendment 23
Proposal for a directive
Recital 12

Text proposed by the Commission

(12) Not all workers in the Union are protected by minimum wages. In some Member States some workers, even though they are covered, receive in practice a remuneration below the statutory minimum wage due to the non-respect of existing rules. In particular, such non-compliance has been found to affect notably women, young workers, people with disabilities and agricultural workers. In Member States where minimum wage protection is provided only through collective agreements, the share of workers not covered is estimated to vary from 2% to 55% of all workers.

Amendment

(12) Not all workers in the Union are protected by minimum wages. In some Member States some workers, even though they are covered, receive in practice a remuneration below the statutory minimum wage due to the non-respect of existing rules. In particular, such non-compliance has been found to affect notably women and female-dominated sectors, young workers, people with disabilities people facing direct, indirect or intersectional forms of discrimination, platform workers, care and domestic workers, agricultural seasonal, short-term workers and the self-employed. In Member States where minimum wage protection is provided only through collective agreements, the share of workers not covered is estimated to vary from 2% to 55% of all workers.

Amendment 24
Proposal for a directive
Recital 15

Text proposed by the Commission

(15) This Directive establishes minimum requirements at Union level to ensure both that minimum wages are set at adequate level and that workers have access to minimum wage protection, in the form of a statutory minimum wage or in the form of

Amendment

(15) With a view to improving working conditions, upward social convergence and gender equality in the Union, this Directive establishes minimum requirements at Union level to ensure both that minimum wages are set at adequate
wages set under collective agreements as defined for the purpose of this Directive.

level and that workers have equal access to minimum wage protection, in the form of a statutory minimum wage or in the form of wages set under collective agreements as defined for the purpose of this Directive.

**Amendment 25**

**Proposal for a directive**

**Recital 17**

*Text proposed by the Commission*

(17) This Directive should apply to workers who have an employment contract or employment relationship as defined by the law, collective agreements or practice in force in each Member State, with consideration to the criteria established by the Court of Justice of the European Union for determining the status of a worker. Provided that they fulfil those criteria, domestic workers, on-demand workers, intermittent workers, voucher based-workers, bogus self-employed, platform workers, trainees and apprentices could fall within the scope of this Directive.

Genuinely self-employed persons do not fall within the scope of this Directive since they do not fulfil those criteria. The abuse of the status of self-employed persons, as defined in national law, either at national level or in cross-border situations, is a form of falsely declared work that is frequently associated with undeclared work. Bogus self-employment occurs when a person is declared to be self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Such persons should fall within the scope of this Directive. The determination of the existence of an employment relationship should be guided by the facts relating to the actual performance of the work and not by the parties' description of the

*Amendment*

(17) This Directive should equally apply to workers who have an employment contract or employment relationship as defined by the law, collective agreements or practice in force in each Member State, with consideration to the criteria established by the Court of Justice of the European Union for determining the status of a worker. Provided that they fulfil those criteria, domestic workers, *workers in the care sector*, on-demand workers, intermittent workers, voucher based-workers, bogus self-employed persons, platform workers, other non-standard workers, trainees and apprentices could fall within the scope of this Directive.

Genuinely self-employed persons do not fall within the scope of this Directive since they do not fulfil those criteria. The abuse of the status of self-employed persons, as defined in national law, either at national level or in cross-border situations, is a form of falsely declared work that is frequently associated with undeclared work. Bogus self-employment occurs when a person is declared to be self-employed while fulfilling the conditions characteristic of an employment relationship, in order to avoid certain legal or fiscal obligations. Such persons should fall within the scope of this Directive. The determination of the existence of an employment relationship should be guided by the facts relating to
relationship.

Amendment 26

Proposal for a directive
Recital 21

Text proposed by the Commission

(21) Minimum wages are considered adequate if they are fair in relation to the wage distribution in the country and if they provide a decent standard of living. The adequacy of statutory minimum wages is determined in view of the national socio-economic conditions, including employment growth, competitiveness as well as regional and sectoral developments. Their adequacy should be assessed at least in relation to their purchasing power, to the productivity developments and to their relation to the gross wage levels, distribution and growth. The use of indicators commonly used at international level, such as 60 % of the gross median wage and 50 % of the gross average wage, can help guide the assessment of minimum wage adequacy in relation to the gross level of wages.

Amendment

(21) Minimum wages are considered to be adequate and fair if they improve wage distribution in the country and if they provide a decent standard of living for workers and their families on the basis of a full-time employment contract. The adequacy of statutory minimum wages is determined in view of the national socio-economic conditions, including employment growth, competitiveness as well as regional and sectoral developments. Their adequacy should be assessed at least in relation to their purchasing power, their relation to the gross wage levels, distribution and growth. The internationally recognised level of 60 % of the gross median wage and 50 % of the gross average wage, can help guide the assessment of minimum wage adequacy in relation to the gross level of wages.

Amendment 27

Proposal for a directive
Recital 21 a (new)

Text proposed by the Commission

(21a) The establishment of minimum wages across the Union is a step in the right direction in the fight against in-work poverty but insufficient to eradicate poverty, especially female poverty, and ensure a decent living for all. Additional and complementary measures such as the adoption of minimum income schemes are
therefore essential in order to achieve the goals and principles of the European Pillar of Social Rights and ensure that everyone has the right to a life in dignity at all stages of life, and effective access to enabling goods and services.

Amendment 28
Proposal for a directive
Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) Given the over-representation of women in low-paying jobs, the establishment of minimum wages can make significant contributions towards lowering the existing gender pay gaps provided that they are established at levels that promote equal opportunities for women to enter and stay in the labour market and that there is no discrimination among workers or exclusions that could perpetuate gender pay differences and the undervaluation of women’s work, embedded in traditional differentials between sectors and occupations.

Amendment 29
Proposal for a directive
Recital 23

Text proposed by the Commission

Amendment

(23) An effective enforcement system, including controls and field inspections, is necessary to ensure the functioning of national statutory minimum wage frameworks. To strengthen the effectiveness of enforcement authorities, a close cooperation with the social partners is also needed, including to address critical challenges such as those related to sub-
contracting, bogus self-employment or non-recorded overtime. Moreover, workers should have easily access to appropriate information on applicable statutory minimum wages to ensure an adequate degree of transparency and predictability as regards their working conditions.

authorities, a close cooperation with the social partners is also needed, including to address critical challenges such as those related to sub-contracting, bogus self-employment or non-recorded overtime; and surveying the salary levels, pay gap and average wages of women. Moreover, all workers should have equal and easy access to appropriate information on applicable statutory minimum wages to ensure an adequate degree of transparency and predictability as regards their working conditions and enforcement of their rights.

Amendment 30

Proposal for a directive
Recital 25

Text proposed by the Commission

(25) Reliable monitoring and data collection are key to ensure the effective protection of minimum wages. The Commission should report every year to the European Parliament and to the Council its assessment of developments in the adequacy and coverage of minimum wages on the basis of annual data and information to be provided by Member States. In addition, progress should be monitored in the framework of the process of economic and employment policy coordination at Union level. In that context, the Employment Committee should examine every year the situation in the Member States on the basis of the reports produced by the Commission and other multilateral surveillance tools such as benchmarking.

Amendment

(25) Reliable monitoring and gender and age disaggregated data collection within the labour force are key to ensure the effective protection of minimum wages and to monitor their gender dimension. The Commission should report every year to the European Parliament and to the Council its assessment of developments in the adequacy and coverage of minimum wages on the basis of annual data and information to be provided by Member States. Member States should submit a breakdown of the data and information provided by gender, age, disability, business size and sector. In addition, progress should be monitored in the framework of the process of economic and employment policy coordination at Union level. In that context, the Employment Committee should examine every year the situation in the Member States on the basis of the reports produced by the Commission and European Union agencies such as the European Institute for Gender Equality.
Amendment 31

Proposal for a directive
Recital 28

Text proposed by the Commission

(28) The reforms and measures adopted by the Member States to promote adequate minimum wage protection of workers, while being steps in the right direction, have not been comprehensive and systematic. Moreover, individual countries may be little inclined to improve the adequacy and coverage of minimum wages because of the perception that this could negatively affect their external cost competitiveness. Since the objectives of this Directive cannot be sufficiently achieved by the Member States, but can rather, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

Amendment

(28) The reforms and measures adopted by the Member States to promote adequate minimum wage protection of workers, while being steps in the right direction, have failed to address the gender employment and pay gap and in-work poverty. Moreover, individual countries may be little inclined to improve the adequacy and coverage of minimum wages because of the perception that this could negatively affect their external cost competitiveness. Since the objectives of this Directive cannot be sufficiently achieved by the Member States, but can rather, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

Amendment 32

Proposal for a directive
Recital 31 a (new)

Text proposed by the Commission

(31a) The process towards convergence on adequate and fairer minimum wages should go hand-in-hand with the Commission’s legislative proposal for pay

(EGE), and other multilateral surveillance tools such as benchmarking.
transparency measures. The Pay Transparency Directive is an important step needed for closing the gender pay gap.

Amendment 33
Proposal for a directive
Article 1 – paragraph 1 – introductory part

Text proposed by the Commission
1. With a view to improving working and living conditions in the Union, this Directive establishes a framework for:

Amendment
1. With a view to improving working and living conditions in the Union, **upward social convergence and gender equality**, this Directive establishes a framework for:

Amendment 34
Proposal for a directive
Article 1 – paragraph 1 – point a

Text proposed by the Commission
(a) setting adequate levels of minimum wages;

Amendment
(a) setting adequate levels of minimum wages **that provide for a decent standard of living and contribute to reducing wage inequality and the gender pay gap**;

Amendment 35
Proposal for a directive
Article 1 – paragraph 1 – point b

Text proposed by the Commission
(b) access of workers to minimum wage protection, in the form of wages set out by collective agreements or in the form of a statutory minimum wage where it exists.

Amendment
(b) access of **all** workers to minimum wage protection **without discrimination**, in the form of wages set out by collective agreements or in the form of a statutory minimum wage where it exists.

Amendment 36
Proposal for a directive

Article 2 – paragraph 1

Text proposed by the Commission

This Directive applies to workers in the Union who have an employment contract or employment relationship as defined by law, collective agreements or practice in force in each Member State, with consideration to the case-law of the Court of Justice of the European Union.

Amendment

This Directive applies to all workers equally and without discrimination in the Union who have an employment contract or employment relationship as defined by law, collective agreements or practice in force in each Member State, with consideration to the case-law of the Court of Justice of the European Union.

Amendment 37

Proposal for a directive

Article 4 – paragraph 1 – point a a (new)

Text proposed by the Commission

(aa) encourage the social partners to create specific measures to improve gender equality in collective bargaining;

Amendment

Amendment 38

Proposal for a directive

Article 4 – paragraph 2

Text proposed by the Commission

2. Member States where collective bargaining coverage is less than 70% of the workers defined within the meaning of Article 2 shall in addition provide for a framework of enabling conditions for collective bargaining, either by law after consultation of the social partners or by agreement with them, and shall establish an action plan to promote collective bargaining. The action plan shall be made public and shall be notified to the European Commission.

Amendment

2. Member States where collective bargaining coverage is less than 70% of the workers defined within the meaning of Article 2 shall in addition provide for a framework of enabling conditions for collective bargaining, either by law after consultation of the social partners or by agreement with them, and shall establish a national action plan to promote collective bargaining. Those national action plans shall strengthen upward wage convergence and establish most appropriate measures and mechanisms for wage setting and increasing coverage.
at national level, in order to close the gender pay gap and to reduce inequalities and discrimination. The action plan shall be made public and shall be notified to the European Commission.

Amendment 39
Proposal for a directive
Article 5 – paragraph 1

Text proposed by the Commission
1. Member States with statutory minimum wages shall take the necessary measures to ensure that the setting and updating of statutory minimum wages are guided by criteria set to promote adequacy with the aim to achieve decent working and living conditions, social cohesion and upward convergence. Member States shall define those criteria in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements. The criteria shall be defined in a stable and clear way.

Amendment
1. Member States with statutory minimum wages shall take the necessary measures to ensure that the setting and updating of statutory minimum wages are guided by criteria to guarantee adequacy and fairness with the aim of achieving decent working and living conditions, equal opportunities, social protection, social cohesion, reducing wage and gender inequalities and upward convergence, as well as preventing and reducing poverty, including among others child poverty and in-work poverty. Member States shall define those criteria in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements. The criteria shall be defined in a clear way.

Amendment 40
Proposal for a directive
Article 5 – paragraph 2 – point b

Text proposed by the Commission
(b) the general level of gross wages and their distribution;

Amendment
(b) the general level of gross wages and their distribution with the objective of reducing social and gender inequalities;
Amendment 41
Proposal for a directive
Article 5 – paragraph 2 – point c

Text proposed by the Commission
(c) the growth rate of gross wages;  
Amendment
(c) the growth rate of gross wages with the objective of reducing wage inequalities;

Amendment 42
Proposal for a directive
Article 5 – paragraph 2 – point d a (new)

Text proposed by the Commission
(da) the gender pay gap, with the objective of eradicating it.

Amendment 43
Proposal for a directive
Article 5 – paragraph 4

Text proposed by the Commission
4. Member States shall take the necessary measures to ensure the regular and timely updates of statutory minimum wages in order to **preserve** their adequacy.  
Amendment
4. Member States shall take the necessary measures to ensure the regular and timely updates of statutory minimum wages in order to **continue promoting** their adequacy.

Amendment 44
Proposal for a directive
Article 5 – paragraph 4 a (new)

Text proposed by the Commission
4a. Updates to statutory minimum wages shall be without prejudice to any other income support mechanisms, such as state aid for disadvantaged workers.
and for workers with disabilities as defined in Commission Regulation (EU) No 651/2014, or disability entitlements.

---


---

**Amendment 45**

**Proposal for a directive**

**Article 5 – paragraph 5**

*Text proposed by the Commission*

5. Member States shall establish consultative bodies to advise the competent authorities on issues related to statutory minimum wages.

*Amendment*

5. Member States shall establish consultative bodies to advise the competent authorities on issues related to statutory minimum wages, including the gender pay and pension gaps. Those consultative bodies shall be sufficiently resourced and shall:

- aim to achieve gender parity in their composition;
- apply a gender perspective in all their analyses;
- provide gender-sensitive evaluation on a regular basis.

---

**Amendment 46**

**Proposal for a directive**

**Article 5 – paragraph 5 a (new)**

*Text proposed by the Commission*

5a. Gender-neutral job evaluation tools and classification criteria shall be developed in close cooperation with social partners, taking into account factors such
as working conditions, the degree of responsibility conferred on the worker, and the physical or mental requirements of the work, in order to apply the principle of equal pay for work of equal value between men and women across different occupational sectors.

Amendment 47
Proposal for a directive
Article 6 – title

Text proposed by the Commission

Variations and deductions

Equal treatment and deductions

Amendment 48
Proposal for a directive
Article 6 – paragraph 1

Text proposed by the Commission

1. Member States may allow different rates of statutory minimum wage for specific groups of workers. Member States shall keep these variations to a minimum, and ensure that any variation is non-discriminatory, proportionate, limited in time if relevant, and objectively and reasonably justified by a legitimate aim.

Member States shall ensure equal opportunities and equal treatment of workers in the application of statutory minimum wage protection. Member States may allow different rates of statutory minimum wage for specific groups of workers. Member States shall keep these variations to a minimum, and ensure that any variation is non-discriminatory, proportionate, limited in time if relevant, and objectively and reasonably justified by a legitimate aim.

Amendment 49
Proposal for a directive
Article 7 – paragraph 1 – introductory part

Text proposed by the Commission

Member States shall take the necessary

Amendment

Member States shall take the necessary
measures to ensure that the social partners are involved in a timely and effective manner in statutory minimum wage setting and updating, including through participation in consultative bodies referred to in Article 5(5) and notably as concerns:

**Amendment 50**

Proposal for a directive  
Article 7 – paragraph 1 – point d

*Text proposed by the Commission*

(d) the collection of data and the carrying out of studies for the information of statutory minimum wage setting authorities;

*Amendment*

(d) the collection of data **disaggregated by gender**, and the carrying out of studies for the information of statutory minimum wage setting authorities;

**Amendment 51**

Proposal for a directive  
Article 8 – title

*Text proposed by the Commission*

8 Effective access of workers to statutory minimum wages

*Amendment*

8 **Equal and** effective access of workers to statutory minimum wages

**Amendment 52**

Proposal for a directive  
Article 8 – paragraph 1 – point 1

*Text proposed by the Commission*

(1) strengthen the controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages. The controls and inspections shall be proportionate and non-discriminatory;

*Amendment*

(1) strengthen the controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages, **and ensure that they are sufficiently resourced**. The controls and
inspections shall be proportionate and non-discriminatory and shall focus on sectors with an over-representation of women;

Amendment 53
Proposal for a directive
Article 8 – paragraph 1 – point 3

Text proposed by the Commission

(3) ensure that information on statutory minimum wages is made publicly available in a clear, comprehensive and easily accessible way.

Amendment

(3) ensure that information on statutory minimum wages is made publicly available in a clear, comprehensive and easily accessible way, including accessibility for workers with disabilities.

Amendment 54
Proposal for a directive
Article 10 – paragraph 1

Text proposed by the Commission

1. Member States shall task their competent authorities with developing effective data collection tools to monitor the coverage and adequacy of minimum wages.

Amendment

1. Member States shall task their competent authorities, in collaboration with social partners, with the development of effective data collection tools to monitor the coverage and adequacy of minimum wages. The data collection shall be disaggregated at least by gender, age group, type of employment contract (part time or full time), and sector and include an intersectional approach.

Amendment 55
Proposal for a directive
Article 10 – paragraph 2 – point a – point iv

Text proposed by the Commission

(iv) the rate of collective bargaining coverage.

Amendment

(iv) the rate of collective bargaining coverage and progress made to increase coverage, in particular for vulnerable
Amendment 56

Proposal for a directive
Article 10 – paragraph 2 – subparagraph 2

_Member States shall provide the statistics and information referred to in this paragraph disaggregated by gender, age, disability, company size and sector._

*Amendment*

Member States shall provide the statistics and information referred to in this paragraph _anonymised and disaggregated by gender, age, disability, company size and sector and where possible by racial and ethnic background. Member States shall conduct a gender impact analysis with respect to coverage and adequacy on this basis._

Amendment 57

Proposal for a directive
Article 10 – paragraph 3

_Member States shall ensure that information regarding minimum wage protection, including collective agreements and wage provisions therein, is transparent and publicly accessible._

*Amendment*

Member States shall ensure that information regarding minimum wage protection, including collective agreements and wage provisions therein, is transparent and publicly _easily_ accessible _and in line with pay transparency principles._

Amendment 58

Proposal for a directive
Article 10 – paragraph 4

_The Commission shall assess the data transmitted by the Member States in the reports referred to in paragraph 2, and_
shall report **annually** to the European Parliament and to the Council.

shall **submit an annual** report to the European Parliament and to the Council. The European Parliament and the Council may submit observations on that report. The report shall take into account a gender perspective with an intersectional focus, and assess to what extent the development of minimum wages contribute to eliminating the gender pay gap.

### Amendment 59

**Proposal for a directive**

**Article 10 – paragraph 5**

**Text proposed by the Commission**

5. On the basis of the report issued by the Commission, the Employment Committee set up in accordance with Article 150 TFEU shall carry out every year an examination of the promotion of collective bargaining on wage setting and of the adequacy of minimum wages in the Member States.

**Amendment**

5. On the basis of the report issued by the Commission, the Employment Committee set up in accordance with Article 150 TFEU shall carry out every year an examination of the promotion of collective bargaining on wage setting and of the adequacy of minimum wages and their gender dimension in the Member States.

### Amendment 60

**Proposal for a directive**

**Article 15 – paragraph 1**

**Text proposed by the Commission**

The Commission shall conduct an evaluation of the Directive by [five years after the date of transposition]. The Commission shall submit thereafter a report to the European Parliament and the Council reviewing the implementation of the Directive and propose, where appropriate, legislative amendments.

**Amendment**

The Commission shall conduct an evaluation of the Directive by [three years after the date of transposition]. The Commission shall submit thereafter a report to the European Parliament and the Council reviewing the implementation of the Directive and propose, where appropriate, legislative amendments. Both the evaluation and the report shall include a gender-responsive approach.
**Title**
Adequate minimum wages in the European Union

**References**

**Committee responsible**
*Date announced in plenary*
EMPL
11.11.2020

**Opinion by**
*Date announced in plenary*
FEMM
11.11.2020

**Rapporteur for the opinion**
*Date appointed*
Lina Gálvez Muñoz
11.2.2021

**Discussed in committee**
10.5.2021 15.6.2021 30.9.2021

**Date adopted**
30.9.2021

**Result of final vote**

<table>
<thead>
<tr>
<th></th>
<th>+:</th>
<th>25</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>--:</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>0:</td>
<td>4</td>
</tr>
</tbody>
</table>

**Members present for the final vote**

**Substitutes present for the final vote**
Sylvie Brunet, Aušra Maldeikienė, Predrag Fred Matić, Monika Vana

**Substitutes under Rule 209(7) present for the final vote**
Łukasz Kohut
### FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

<table>
<thead>
<tr>
<th>25</th>
<th>+</th>
</tr>
</thead>
<tbody>
<tr>
<td>ID</td>
<td>Simona Baldassarre</td>
</tr>
<tr>
<td>PPE</td>
<td>Isabella Adinolfi, Frances Fitzgerald, Cindy Franssen, Aušra Maldeikienė, Sirpa Pietikäinen, Elissavet Vozemberg-Vrionidi, Elżbieta Katarzyna Łukacijewska</td>
</tr>
<tr>
<td>Renew</td>
<td>Sylvie Brunet, Karen Melchior, Samira Rafaela, María Soraya Rodríguez Ramos, Chrysoula Zacharopoulou, Marco Zullo</td>
</tr>
<tr>
<td>S&amp;D</td>
<td>Vilija Blinkevičiūtė, Lina Gálvez Muñoz, Łukasz Kohut, Predrag Fred Matić, Pina Picierno, Evelyn Regner</td>
</tr>
<tr>
<td>The Left</td>
<td>Eugenia Rodríguez Palop</td>
</tr>
<tr>
<td>Verts/ALE</td>
<td>Diana Riba i Giner, Sylwia Spurek, Ernest Urtasun, Monika Vana</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECR</td>
<td>Jessica Stegrud, Margarita de la Pisa Carrión</td>
</tr>
<tr>
<td>S&amp;D</td>
<td>Hélène Fritzon</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECR</td>
<td>Andżelika Anna Możdżanowska</td>
</tr>
<tr>
<td>ID</td>
<td>Annika Bruna</td>
</tr>
<tr>
<td>PPE</td>
<td>Christine Schneider</td>
</tr>
<tr>
<td>The Left</td>
<td>Sandra Pereira</td>
</tr>
</tbody>
</table>

**Key to symbols:**
- + : in favour
- - : against
- 0 : abstention
## PROCEDURE – COMMITTEE RESPONSIBLE

<table>
<thead>
<tr>
<th><strong>Title</strong></th>
<th>Adequate minimum wages in the European Union</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>References</strong></td>
<td>COM(2020)0682 – C9-0337/2020 – 2020/0310(COD)</td>
</tr>
<tr>
<td><strong>Date submitted to Parliament</strong></td>
<td>29.10.2020</td>
</tr>
<tr>
<td><strong>Committee responsible</strong></td>
<td>EMPL</td>
</tr>
<tr>
<td><strong>Date announced in plenary</strong></td>
<td>11.11.2020</td>
</tr>
<tr>
<td><strong>Committees asked for opinions</strong></td>
<td>FEMM</td>
</tr>
<tr>
<td><strong>Date announced in plenary</strong></td>
<td>11.11.2020</td>
</tr>
<tr>
<td><strong>Rapporteurs</strong></td>
<td>Dennis Radtke, Agnes Jongerius</td>
</tr>
<tr>
<td><strong>Date appointed</strong></td>
<td>9.2.2021</td>
</tr>
<tr>
<td><strong>Legal basis disputed</strong></td>
<td>JURI</td>
</tr>
<tr>
<td><strong>Date of JURI opinion</strong></td>
<td>28.10.2021</td>
</tr>
<tr>
<td><strong>Discussed in committee</strong></td>
<td>4.3.2021, 22.4.2021, 3.6.2021</td>
</tr>
<tr>
<td><strong>Date adopted</strong></td>
<td>11.11.2021</td>
</tr>
<tr>
<td><strong>Result of final vote</strong></td>
<td>+: 37, -: 10, 0: 7</td>
</tr>
<tr>
<td><strong>Members present for the final vote</strong></td>
<td>Abir Al-Sahlani, Marc Angel, Gabriele Bischoff, Vilija Blinkevičiūtė, Sylvie Brunet, Jordi Cañas, David Casa, Leila Chaibi, Özlem Demirel, Klára Dobrev, Jaroslav Duda, Estrella Durá Ferrandis, Lucia Řuriš Nicholsonová, Loucas Fourlas, Cindy Franssen, Helène Fritzon, Helmut Geuking, Elisabetta Gualmini, Alicia Homs Ginel, Agnes Jongerius, Radan Kanev, Ádám Kósa, Stelios Kympouropoulos, Miriam Lexmann, Elena Lizzi, Sandra Pereira, Kira Marie Peter-Hansen, Dragoș Pîslaru, Dennis Radtke, Elżbieta Rafalska, Daniela Rondinelli, Mounir Satouri, Vincenzo Sofo, Beata Szydlo, Eugen Tomac, Romana Tomc, Marie-Pierre Vedrenne, Nikolaj Villumsen, Marianne Vind, Maria Walsh, Stefania Zambelli, Taatjana Ždanoka</td>
</tr>
<tr>
<td><strong>Substitutes present for the final vote</strong></td>
<td>Ilana Cicurel, Krzysztof Hetman, Peter Kofod, Jeroen Lenaers, Peter Lundgren, Sara Matthieu, Samira Rafaela, Anna Zalewska</td>
</tr>
<tr>
<td><strong>Substitutes under Rule 209(7) present for the final vote</strong></td>
<td>Catherine Griset, Maximilian Krah, Predrag Fred Matić, Kathleen Van Brempt</td>
</tr>
<tr>
<td><strong>Date tabled</strong></td>
<td>18.11.2021</td>
</tr>
</tbody>
</table>
# FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>37</td>
<td>+</td>
</tr>
<tr>
<td>ECR</td>
<td>Vincenzo Sofo</td>
</tr>
<tr>
<td>NI</td>
<td>Daniela Rondinelli</td>
</tr>
<tr>
<td>PPE</td>
<td>David Casa, Jarosław Duda, Loucas Fourlas, Cindy Franssen, Helmut Geuking, Krzysztof Hetman, Radan Kanev, Stelios Kympouropoulos, Jeroen Lenaers, Dennis Radtke, Eugen Tomac, Romana Tome, Maria Walsh</td>
</tr>
<tr>
<td>Renew</td>
<td>Sylvie Brunet, Jordi Cañas, Ilana Cicurel, Dragoș Pîslaru, Samira Rafaela, Marie-Pierre Vedrenne, Lucia Ďuriš Nicholsonová</td>
</tr>
<tr>
<td>S&amp;D</td>
<td>Marc Angel, Gabriele Bischoff, Vilija Blinkevičiūtė, Klára Dobrev, Estrella Durá Ferrandis, Elisabetta Gualmini, Alicia Homis Ginel, Agnes Jongerius, Predrag Fred Matić, Kathleen Van Brempt</td>
</tr>
<tr>
<td>The Left</td>
<td>Leila Chaibi, Özlem Demirel</td>
</tr>
<tr>
<td>Verts/ALE</td>
<td>Sara Matthieu, Mounir Satouri, Tatjana Ždanoka</td>
</tr>
</tbody>
</table>

| 10 | - |
| ECR | Peter Landgren |
| ID | Catherine Griset, Peter Kofod, Maximilian Krah |
| Renew | Abir Al-Sahlani |
| S&D | Heléne Fritzon, Marianne Vind |
| The Left | Sandra Pereira, Nikolaj Villumsen |
| Verts/ALE | Kira Marie Peter-Hansen |

| 7 | 0 |
| ECR | Elżbieta Rafalska, Beata Szydło, Anna Zalewska |
| ID | Elena Lizzi, Stefania Zambelli |
| NI | Ádám Kósa |
| PPE | Miriam Lexmann |

Key to symbols:
+ : in favour
- : against
0 : abstention