

Question for written answer E-006200/2020
to the Commission
Rule 138
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Subject: Effects of the introduction of productivity as a criterion for setting minimum wages in the European directive

Since the 1980s, we have seen a gradual decoupling of wage increases from productivity increases. While productivity has increased, wages have not. The global distribution of value is increasingly shifting in favour of capital, while wages are losing ground, increasing inequality further. Article 5 of the European Commission's proposal on adequate minimum wages uses the controversial criterion of 'labour productivity developments' to set the minimum wage. Given that wages are currently lagging behind increases in productivity, which the OECD has confirmed since at least 1995¹, the introduction of this criterion also risks sanctifying this imbalance and decoupling.

1. Can the Commission confirm that if this criterion is introduced, it would take the current situation as a reference point and would in no way take account of developments prior to the approval of the Directive?
2. Would the non-regression clause in Article 16 prohibit Member States from revising their minimum wages downwards using a criterion based on productivity developments?
3. Why does the Commission prefer a criterion based on productivity developments to one based on productivity growth?

¹ <https://www.slideshare.net/oecd/economy/decoupling-of-wages-from-productivity-november-2018>