



2018/0064(COD)

22.6.2018

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council
establishing a European Labour Authority
(COM(2018)0131 – C8-0118/2018 – 2018/0064(COD))

Committee on Employment and Social Affairs

Rapporteur: Jeroen Lenaers

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.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a regulation of the European Parliament and of the Council
establishing a European Labour Authority
(COM(2018)0131 – C8-0118/2018 – 2018/0064(COD))**

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2018)0131),
 - having regard to Article 294(2), and Articles 46 and 48, Article 53(1), Article 62 and Article 91(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0118/2018),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the reasoned opinion submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the Swedish Parliament, asserting that the draft legislative act does not comply with the principle of subsidiarity,
 - having regard to the opinion of the European Economic and Social Committee of...,
 - having regard to the opinion of the Committee of the Regions of...,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on Budgets, the Committee on Transport and Tourism, the Committee on Legal Affairs, the Committee on Civil Liberties, Justice and Home Affairs and the Committee on Women’s Rights and Gender Equality (A8-0000/2018),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4 a) Concerns remain regarding compliance with, and effective and efficient enforcement of, Union law, which risks jeopardising trust and fairness in the internal market. It is therefore crucial to improve the cross-border enforcement of Union law in the area of labour mobility and to tackle abuse in order to protect the rights of mobile workers, to ensure that companies, in particular small and medium-sized enterprises (SMEs) can compete on an equal playing field and to maintain support of the citizens for the internal market and the four freedoms, so that bona fide companies and workers can enjoy their rights and make use of the opportunities of the internal market to the fullest extent.

Or. en

Amendment 2

Proposal for a regulation

Recital 5

Text proposed by the Commission

Amendment

(5) A European Labour Authority (the ‘Authority’) should be established in order to help strengthen fairness and trust in the Single Market. To that effect, the Authority should support the Member States and the Commission in strengthening ***access to information for individuals and employers about their rights and obligations in cross-border labour mobility situations as well as access to relevant services, support*** compliance and cooperation between the

(5) A European Labour Authority (the ‘Authority’) should be established in order to help strengthen fairness and trust in the Single Market. To that effect, the Authority should support the Member States and the Commission in strengthening compliance and cooperation between the Member States to ensure the effective application of the Union law in these areas, and mediate and facilitate a solution in case of cross-border disputes.

Member States to ensure the effective application of the Union law in these areas, and mediate and facilitate a solution in case of cross-border disputes *or labour market disruptions*.

Or. en

Amendment 3

Proposal for a regulation Recital 5 a (new)

Text proposed by the Commission

Amendment

(5 a) In order to be effective, the Authority needs a clearly defined objective and a strong focus on a limited number of tasks. It is crucial that the means available are used as efficiently as possible in areas where the Authority can provide the greatest added value, in particular in the area of cross-border enforcement of relevant Union law and the facilitation of joint inspections.

Or. en

Amendment 4

Proposal for a regulation Recital 5 b (new)

Text proposed by the Commission

Amendment

(5 b) Improving access to information by individuals and employers, in particular SMEs, about their rights and obligations in the areas of labour mobility, free movement of services and social security coordination is crucial in order to tap the full potential of the internal market. For reasons of efficiency and effectiveness, such provision of reliable, up-to-date and easy accessible

information should not be within the scope of the Authority, but rather at national or regional level, where also specific bilateral arrangements between Member States, for instance in the field of fiscal coordination, can be taken into consideration. To that end, the Commission should explore the possibility of creating or facilitating helpdesks or one-stop-shops for companies and workers in cross-border situations.

Or. en

Amendment 5

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The Authority should perform its activities in the areas of cross-border labour mobility and social security coordination, including free movement of workers, posting of workers and highly mobile services. It should also enhance cooperation between Member States in tackling undeclared work. In cases where the Authority, in the course of the performance of its activities, becomes aware of suspected irregularities, including in areas of Union law beyond its scope, such as violations of working conditions, health and safety rules, or the employment of illegally staying third-country nationals, it should be able to report them and cooperate on these matters with the Commission, competent Union bodies, and national authorities where appropriate.

Amendment

(6) The Authority should perform its activities in the areas of cross-border labour mobility and social security coordination, including free movement of workers, posting of workers and highly mobile services. It should also enhance cooperation between Member States in tackling undeclared work ***and in situations where the proper functioning of the internal market is at risk because of, inter alia, letterbox companies, fraudulent companies or the phenomenon of bogus self-employment.*** In cases where the Authority, in the course of the performance of its activities, becomes aware of suspected irregularities, including in areas of Union law beyond its scope, such as violations of working conditions, health and safety rules, or the employment of illegally staying third-country nationals, it should be able to report them and cooperate on these matters with the Commission, competent Union bodies, and national authorities where appropriate.

Or. en

Amendment 6

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The Authority should **contribute to facilitating the free movement of workers governed by Regulation (EU) No 492/2011 of the European Parliament and of the Council³⁹, Directive 2014/54/EU of the European Parliament and the Council⁴⁰ and Regulation (EU) 2016/589 of the European Parliament and the Council⁴¹. It should facilitate the posting of workers governed by Directive 96/71/EC of the European Parliament and the Council⁴² and Directive 2014/67/EU of the European Parliament and the Council⁴³, including by supporting** the enforcement of those provisions implemented through universally applicable collective agreements in line with the practices of Member States. It should also help the coordination of social security systems governed by Regulation (EC) No 883/2004 of the European Parliament and the Council⁴⁴, Regulation (EC) No 987/2009 of the European Parliament and the Council⁴⁵, Regulation (EU) No 1231/2010 of the European Parliament and the Council⁴⁶; as well as Council Regulation (EC) No 1408/71⁴⁷ and Council Regulation (EC) No 574/72⁴⁸.

³⁹ *Regulation (EU) No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union (OJ L 141, 27.5.2011, p. 1).*

⁴⁰ *Directive 2014/54/EU of the European Parliament and the Council of 16 April 2014 on measures facilitating the exercise of rights conferred on workers in the*

Amendment

(7) The Authority should **support** the enforcement of those provisions implemented through universally applicable collective agreements in line with the practices of Member States. It should also help the coordination of social security systems governed by Regulation (EC) No 883/2004 of the European Parliament and the Council⁴⁴, Regulation (EC) No 987/2009 of the European Parliament and the Council⁴⁵, Regulation (EU) No 1231/2010 of the European Parliament and the Council⁴⁶; as well as Council Regulation (EC) No 1408/71⁴⁷ and Council Regulation (EC) No 574/72⁴⁸.

context of freedom of movement for workers (OJ L 128, 30.4.2014, p. 8).

⁴¹ Regulation (EU) 2016/589 of the European Parliament and the Council of 13 April 2016 on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013 (OJ L 107, 22.04.2016, p. 1).

⁴² Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services (OJ L 18, 21.1.1997, p. 1).

⁴³ Directive 2014/67/EU of the European Parliament and of the Council of 15 May 2014 on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ('the IMI Regulation') (OJ L 159, 28.05.2014, p. 11).

⁴⁴ Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems, (OJ L 166, 30.4.2004, p.1, corrigendum OJ L 200, 7.6.2004, p. 1).

⁴⁵ Regulation (EC) No 987/2009 of the European Parliament and of the Council of 16 September 2009 laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems, (OJ L 284, 30.10.2009, p. 1).

⁴⁶ Regulation (EU) No 1231/2010 of the European Parliament and of the Council of 24 November 2010 extending Regulation (EC) No 883/2004 and Regulation (EC) No 987/2009 to nationals of third countries who are not already covered by these Regulations solely on the ground of their

⁴⁴ Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems, (OJ L 166, 30.4.2004, p.1, corrigendum OJ L 200, 7.6.2004, p. 1).

⁴⁵ Regulation (EC) No 987/2009 of the European Parliament and of the Council of 16 September 2009 laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems, (OJ L 284, 30.10.2009, p. 1).

⁴⁶ Regulation (EU) No 1231/2010 of the European Parliament and of the Council of 24 November 2010 extending Regulation (EC) No 883/2004 and Regulation (EC) No 987/2009 to nationals of third countries who are not already covered by these Regulations solely on the ground of their

nationality (OJ L 344, 29.12.2010, p. 1).

⁴⁷ Council Regulation (EC) No 1408/71 of 14 June 1971 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community (OJ L 149, 5.7.1971 p. 2).

⁴⁸ Council Regulation (EC) No 574/72 of 21 March 1972 laying down the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons, and to their families moving within the Community (OJ L 74, 27.3.1972, p. 1).

nationality (OJ L 344, 29.12.2010, p. 1).

⁴⁷ Council Regulation (EC) No 1408/71 of 14 June 1971 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community (OJ L 149, 5.7.1971 p. 2).

⁴⁸ Council Regulation (EC) No 574/72 of 21 March 1972 laying down the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons, and to their families moving within the Community (OJ L 74, 27.3.1972, p. 1).

Or. en

Amendment 7

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) The establishment of the Authority should not create new rights and obligations for individuals or employers, including economic operators or non-profit organisations, as the activities of the Authority should cover them to the extent to which they are covered by the Union law within the scope of this Regulation.

Amendment

(10) The establishment of the Authority should not create new rights and obligations for individuals or employers, including economic operators or non-profit organisations, as the activities of the Authority should cover them to the extent to which they are covered by the Union law within the scope of this Regulation.
Increased cooperation in the area of enforcement should not place an excessive administrative burden on mobile workers or employers, in particular SMEs, or discourage labour mobility.

Or. en

Amendment 8

Proposal for a regulation

Recital 11

Text proposed by the Commission

Amendment

(11) To ensure they can benefit from a fair and effective internal market, the Authority should promote opportunities for individuals and employers to be mobile or provide services and recruit anywhere within the Union. This includes supporting the cross-border mobility of individuals by facilitating access to cross-border mobility services, such as the cross-border matching of jobs, traineeships and apprenticeships and by promoting mobility schemes such as 'Your first EURES job' or 'ErasmusPRO'. The Authority should also contribute to improving transparency of information, including on rights and obligations stemming from Union law, and access to services to individuals and employers, in cooperation with other Union information services, such as Your Europe Advice, and taking full advantage and ensuring consistency with the Your Europe portal, which will form the backbone of the future single digital gateway⁵³. *deleted*

⁵³ Regulation [Single Digital Gateway – COM(2017)256]

Or. en

Amendment 9

Proposal for a regulation

Recital 12

Text proposed by the Commission

Amendment

(12) For these purposes, the Authority should cooperate with other relevant *deleted*

Union initiatives and networks, in particular the European Network of Public Employment Services (PES)⁵⁴, the European Enterprise Network⁵⁵, the Border Focal Point⁵⁶ and SOLVIT⁵⁷, as well as with relevant national services such as the bodies to promote equal treatment and to support Union workers and members of their family, designated by Member States under Directive 2014/54/EU, and national contact points designated under Directive 2011/24/EU of the European Parliament and of the Council⁵⁸ to provide information on healthcare. The Authority should also explore synergies with the proposed European services e-card⁵⁹, notably with regard to those cases in which Member States opt for the submission of declarations regarding posted workers through the e-card platform. The Authority should replace the Commission in managing the European network of employment services ('EURES') European Coordination Office established pursuant to Regulation (EU) No 2016/589, including the definition of user needs and business requirements for the effectiveness of the EURES portal and related IT services, but excluding the IT provision, and the operation and development of the IT infrastructure, which will continue to be ensured by the Commission.

⁵⁴ *Decision No 573/2014/EU of the European Parliament and of the Council of 15 May 2014 on enhanced cooperation between Public Employment Services (PES) (OJ L 159, 28.5.2014, p. 32).*

⁵⁵ *European Enterprise Network, <https://een.ec.europa.eu/>*

⁵⁶ *Communication from the Commission to the Council and the European Parliament, Boosting growth and cohesion in EU border regions, COM(2017) 534.*

⁵⁷ *Commission Recommendation of 17 September 2013 on the principles governing SOLVIT (OJ L 249, 19.9.2011, p. 10).*

⁵⁸ *Directive 2011/24/EU of the European Parliament and of the Council of 9 March 2011 on the application of patients' rights in cross-border healthcare (OJ L 88, 4.4.2011, p. 45).*

⁵⁹ *COM(2016) 824 final and COM(2016) 823 final.*

Or. en

Amendment 10

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) To increase Member States' capacity to tackle irregularities with a cross-border dimension in relation to Union law within its scope, the Authority should support the national authorities in carrying out concerted and joint inspections, including by facilitating the implementation of the inspections in accordance with Article 10 of Directive 2014/67/EU. These should take place at the request of Member States or upon ***their agreement to*** the Authority's suggestion. The Authority should provide strategic, logistical, and technical support to Member States participating in the concerted or joint inspections in full respect of confidentiality requirements. Inspections should be carried out in ***agreement with*** the Member States concerned and take place fully within the legal framework of national law of Member States concerned, which should follow up on the outcomes of the concerted and joint inspections according to national law.

Amendment

(14) To increase Member States' capacity to tackle irregularities with a cross-border dimension in relation to Union law within its scope, the Authority should support the national authorities in carrying out concerted and joint inspections, including by facilitating the implementation of the inspections in accordance with Article 10 of Directive 2014/67/EU. These should take place at the request of Member States or upon the Authority's suggestion. The Authority should provide strategic, logistical, and technical support to Member States participating in the concerted or joint inspections in full respect of confidentiality requirements. Inspections should be carried out in the Member States concerned and take place fully within the legal framework of national law of Member States concerned, which should follow up on the outcomes of the concerted and joint inspections according to national law. ***The results of the joint inspections should have legal effects in the Member States***

concerned.

Or. en

Amendment 11

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The Authority should provide a platform for **resolving disputes** between Member States in relation to the application of Union law that falls within its scope. It should build on dialogue and conciliation mechanisms that are currently in place in the area of social security coordination, which are valued by Member States⁶⁰ and their importance is recognised by the Court of Justice⁶¹. Member States should be able to refer cases to the Authority for mediation according to standard procedures put in place for this purpose. The Authority should only deal with disputes between Member States, while individuals and employers facing difficulties with exercising their Union rights should continue to have at their disposal the national and Union services dedicated to dealing with such cases, such as the SOLVIT network to which the Authority should refer such cases. The SOLVIT network should also be able to refer to the Authority for its consideration cases in which the problem cannot be solved due to differences between national administrations.

Amendment

(17) The Authority should provide a platform for **mediation and dispute settlement** between Member States in relation to the application of Union law that falls within its scope. It should build on dialogue and conciliation mechanisms that are currently in place in the area of social security coordination, which are valued by Member States⁶⁰ and their importance is recognised by the Court of Justice⁶¹. **Where Member States voluntarily commit to mediation and dispute settlement, the Authority should have the power to settle disputes by adopting binding decisions.** Member States should be able to refer cases to the Authority for mediation according to standard procedures put in place for this purpose. The Authority should only deal with disputes between Member States, while individuals and employers facing difficulties with exercising their Union rights should continue to have at their disposal the national and Union services dedicated to dealing with such cases, such as the SOLVIT network to which the Authority should refer such cases. The SOLVIT network should also be able to refer to the Authority for its consideration cases in which the problem cannot be solved due to differences between national administrations. **The Authority should also be able to request the Commission to start infringement proceedings in the case of an infringement of EU law.**

⁶⁰ Council, Partial general approach of 26 October 2017 on the proposal for a Regulation amending Regulation (EC) No 883/2004 on the coordination of social security systems and regulation (EC) No 987/2009 laying down the procedure for implementing Regulation (EC) No 883/2004 13645/1/17.

⁶¹ Case C-236/88 EU:C:1990:303, paragraph 17; Case C-202/97 EU:C:2000:75, paragraphs 57-58; Case C-178/97 EU:C:2000:169, paragraphs 44-45; Case C-2/05 EU:C:2006:69, paragraphs 28-29; Case C-12/14 EU:C:2016:135, paragraphs 39-41; Case C-359/16 EU:C:2018:63, paragraphs 44-45.

⁶⁰ Council, Partial general approach of 26 October 2017 on the proposal for a Regulation amending Regulation (EC) No 883/2004 on the coordination of social security systems and regulation (EC) No 987/2009 laying down the procedure for implementing Regulation (EC) No 883/2004 13645/1/17.

⁶¹ Case C-236/88 EU:C:1990:303, paragraph 17; Case C-202/97 EU:C:2000:75, paragraphs 57-58; Case C-178/97 EU:C:2000:169, paragraphs 44-45; Case C-2/05 EU:C:2006:69, paragraphs 28-29; Case C-12/14 EU:C:2016:135, paragraphs 39-41; Case C-359/16 EU:C:2018:63, paragraphs 44-45.

Or. en

Amendment 12

Proposal for a regulation

Recital 18

Text proposed by the Commission

(18) To facilitate the management of labour market adjustments, the Authority should facilitate cooperation among relevant stakeholders in order to address labour market disruptions affecting more than one Member State, such as cases of restructuring or major projects impacting employment in border regions.

Amendment

deleted

Or. en

Amendment 13

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) The Authority should directly rely on the expertise of relevant stakeholders in the areas under its scope through a dedicated Stakeholder Group. The members should be representatives of Union-level social partners. In carrying out its activities, the Stakeholder Group will take due account of the opinions and draw on the expertise of the Advisory Committee for the Coordination of Social Security Systems established by Regulation (EC) No 883/2004 and the Advisory Committee on the Free Movement of Workers established pursuant to Regulation (EU) No 492/2011.

Amendment

(23) The Authority should directly rely on the expertise of relevant stakeholders in the areas under its scope through a dedicated Stakeholder Group. The members should be representatives of Union-level social partners. ***Moreover, participation in the Stakeholder Group should be extended to Union sectoral organisations that are currently participating in the bodies that will be integrated in the Authority. The members should be able to submit their opinions to the Authority, upon request or on their own initiative, and the members should be regularly consulted.*** In carrying out its activities, the Stakeholder Group will take due account of the opinions and draw on the expertise of the Advisory Committee for the Coordination of Social Security Systems established by Regulation (EC) No 883/2004 and the Advisory Committee on the Free Movement of Workers established pursuant to Regulation (EU) No 492/2011.

Or. en

Amendment 14

Proposal for a regulation Recital 36

Text proposed by the Commission

(36) Since the ***objectives*** of this Regulation ***to support the free movement of workers and services and*** to contribute to strengthening fairness in the internal market cannot be sufficiently achieved by the Member States acting in an uncoordinated manner, but can rather, by reason of the cross-border nature of those activities and the need for increased cooperation between Member States, be

Amendment

(36) Since the ***objective*** of this Regulation to contribute to strengthening fairness in the internal market, ***in particular by improving the enforcement of the Union law***, cannot be sufficiently achieved by the Member States acting in an uncoordinated manner, but can rather, by reason of the cross-border nature of those activities and the need for increased cooperation between Member States, 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 European Union. In accordance with the principle of proportionality, this Regulation does not go beyond what is necessary in order to achieve *those objectives*.

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 European Union. In accordance with the principle of proportionality, this Regulation does not go beyond what is necessary in order to achieve *that objective*.

Or. en

Amendment 15

Proposal for a regulation Article 1 – paragraph 2

Text proposed by the Commission

2. The Authority shall assist Member States and the Commission in matters relating to cross-border labour mobility and the coordination of social security systems within the Union.

Amendment

2. The Authority shall assist Member States and the Commission in matters relating to ***enforcement of the Union law in the area of*** cross-border labour mobility and the coordination of social security systems within the Union.

Or. en

Amendment 16

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

Text proposed by the Commission

(a) facilitate access for individuals and employers to information on their rights and obligations as well as to relevant services;

Amendment

deleted

Or. en

Amendment 17

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

(b) support cooperation between Member States in the cross-border enforcement of relevant Union law, including facilitating joint inspections;

Amendment

(b) **encourage, facilitate and** support cooperation between Member States in the cross-border enforcement of relevant Union law, including facilitating joint inspections;

Or. en

Amendment 18

Proposal for a regulation

Article 2 – paragraph 1 – point c

Text proposed by the Commission

(c) mediate and facilitate a solution in cases of cross-border disputes between national authorities **or labour market disruptions**.

Amendment

(c) mediate and facilitate a solution, **if necessary by means of dispute settlement**, in cases of cross-border disputes between national authorities.

Or. en

Amendment 19

Proposal for a regulation

Article 5 – paragraph 1 – point a

Text proposed by the Commission

(a) **facilitate access to information by individuals and employers on rights and obligations in cross-border situations as well as access to cross-border labour mobility services, in accordance with Articles 6 and 7;**

Amendment

deleted

Or. en

Amendment 20

Proposal for a regulation

Article 5 – paragraph 1 – point f

Text proposed by the Commission

(f) mediate in disputes between Member States' authorities on the application of relevant Union law, in accordance with Article 13;

Amendment

(f) mediate in disputes, ***if necessary by means of dispute settlement***, between Member States' authorities on the application of relevant Union law, in accordance with Article 13;

Or. en

Amendment 21

Proposal for a regulation

Article 5 – paragraph 1 – point g

Text proposed by the Commission

(g) ***facilitate cooperation between relevant stakeholders in the event of cross-border labour market disruptions, in accordance with Article 14.***

Amendment

deleted

Or. en

Amendment 22

Proposal for a regulation

Article 6

Text proposed by the Commission

Article 6

Information on cross-border labour mobility

The Authority shall improve the availability, quality and accessibility of information offered to individuals and employers to facilitate labour mobility

Amendment

deleted

across the Union, in accordance with Regulation (EU) 589/2016 on EURES and Regulation [Single Digital Gateway – COM(2017)256]. To that end, the Authority shall:

(a) provide relevant information on the rights and obligations of individuals in cross-border labour mobility situations;

(b) promote opportunities to support the labour mobility of individuals, including through guidance on access to learning and language training;

(c) provide relevant information to employers on labour rules, and the living and working conditions applicable to workers in cross-border labour mobility situations, including posted workers;

(d) support Member States in complying with the obligations on the dissemination of and access to information relating to the free movement of workers as laid down in Article 6 of Directive 2014/54/EU, and to the posting of workers as laid down in Article 5 of Directive 2014/67/EU;

(e) support Member States in improving the accuracy, completeness and user-friendliness of relevant national information services, in accordance with the quality criteria laid down in Regulation [Single Digital Gateway – COM(2017)256];

(f) support Member States in streamlining the provision of information and services to individuals and employers pertaining to cross-border mobility on a voluntary basis, while fully respecting Member States' competences.

Or. en

Amendment 23

Proposal for a regulation

Article 7

Text proposed by the Commission

Amendment

Article 7

deleted

Access to cross-border labour mobility services

1. The Authority shall provide services to individuals and employers to facilitate labour mobility across the Union. To that end, the Authority shall:

(a) promote the development of initiatives supporting the cross-border mobility of individuals, including targeted mobility schemes;

(b) enable the cross-border matching of job, traineeship, and apprenticeship vacancies with CVs and applications for the benefit of individuals and employers, particularly via EURES;

(c) cooperate with other Union initiatives and networks, such as the European Network of Public Employment Services, the European Enterprise Network and the Border Focal Point, in particular to identify and overcome cross-border obstacles to labour mobility;

(d) facilitate cooperation between competent services at the national level designated in accordance with Directive 2014/54/EU to provide information, guidance and assistance to individuals and employers on cross-border mobility, and the national contact points designated in accordance with Directive 2011/24/EU to provide information on healthcare.

2. The Authority shall manage the EURES European Coordination Office and ensure that it fulfils its responsibilities in accordance with Article 8 of Regulation (EU) 2016/589, except for the technical operation and development of the EURES portal and related IT

services, which shall continue to be managed by the Commission. The Authority, under the responsibility of the Executive Director as set out in Article 23(4)(k), shall ensure that this activity fully complies with requirements of the applicable data protection legislation, including the requirement to appoint a Data Protection Officer, in accordance with Article 37.

Or. en

Amendment 24

Proposal for a regulation Article 9 – paragraph 1

Text proposed by the Commission

1. At the request of one or several Member States, the Authority shall coordinate concerted or joint inspections in the areas under the scope of the Authority's competences. ***The request may be submitted by one or several Member States.*** The Authority may also suggest to the authorities of the Member States concerned that they perform a concerted or joint inspection.

Amendment

1. At the request of one or several Member States, the Authority shall coordinate concerted or joint inspections in the areas under the scope of the Authority's competences. The Authority may also suggest to the authorities of the Member States concerned that they perform a concerted or joint inspection.

Or. en

Amendment 25

Proposal for a regulation Article 9 – paragraph 2

Text proposed by the Commission

2. ***Where*** the authority of a Member State ***decides not to*** participate in or carry out the concerted or joint inspection referred to paragraph 1, it shall inform the Authority in writing of the reasons for its

Amendment

2. The authority of a Member State ***shall*** participate in or carry out the concerted or joint inspection referred to ***in*** paragraph 1. ***Only in exceptional and duly justified cases, in particular where, on the***

decision duly in advance. *In such cases*, the Authority shall inform the other national authorities concerned.

basis of specific national information, the proposed concerted or joint inspection is expected to be ineffective, the authority of a Member State may decide not to participate. In such cases, it shall inform the Authority in writing of the reasons for its decision duly in advance. The Authority shall *assess the information received, submit a reasoned opinion on the merits of the proposed concerted or joint inspection and* inform the other national authorities concerned *The Authority shall publish its reasoned opinion.*

Or. en

Amendment 26

Proposal for a regulation Article 9 – paragraph 3

Text proposed by the Commission

Amendment

3. *The organisation of a concerted or joint inspection shall be subject to the prior agreement of all participating Member States via their National Liaison Officers. In the event that one or more Member States refuse to take part in the concerted or joint inspection, the other national authorities may, where appropriate, only carry out the envisaged concerted or joint inspection in the participating Member States. The Member States that declined to participate in the inspection shall keep information about the envisaged inspection confidential.*

deleted

Or. en

Amendment 27

Proposal for a regulation Article 9 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. *Where the authority of a Member State does not participate in or carry out a concerted or joint inspection as referred to in paragraph 1, and after carefully assessing the information provided by the authority of the Member State, the Authority may request the authority concerned to carry out its own investigation, to detect possible irregularities and, within one year of the date of the Authority's request, to report the findings to the Authority.*

Or. en

Amendment 28

Proposal for a regulation Article 9 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3 b. *Where the authority of a Member State does not comply with the deadline referred to in paragraph 3a, the Authority may, where the proper functioning of the internal market jeopardised by, inter alia, letterbox or fraudulent companies, or the bogus self-employment, carry out an inspection in accordance with the relevant procedure criteria.*

Or. en

Amendment 29

Proposal for a regulation Article 10 – paragraph 6

Text proposed by the Commission

Amendment

6. Information on concerted and joint

6. Information on concerted and joint

inspections shall be included in quarterly reports to be submitted to the Management Board. A yearly report on the inspections supported by the Authority shall be included in the Authority's annual activity report.

inspections shall be included in quarterly reports to be submitted to the Management Board. ***Those reports shall be made public and shall contain information about those cases where the authority of a Member State does not participate in or carry out the concerted or joint inspection referred to in paragraph 1, including any reasoned opinion of the Authority as referred to in paragraph 2.*** A yearly report on the inspections supported by the Authority shall be included in the Authority's annual activity report.

Or. en

Amendment 30

Proposal for a regulation Article 11 – paragraph 1

Text proposed by the Commission

1. The Authority shall assess risks and carry out analyses regarding cross-border labour flows, such as labour market imbalances, sector-specific threats and recurring problems encountered by individuals and employers in relation to cross-border mobility. For that purpose, the Authority shall ensure complementarity with, and draw on the expertise of, other Union agencies or services, including in the areas of skills forecasting and health and safety at work. ***Upon a request by the Commission***, the Authority may carry out focused in-depth analyses and studies to investigate specific labour mobility issues.

Amendment

1. The Authority shall assess risks and carry out analyses regarding cross-border labour flows, such as labour market imbalances, sector-specific threats and recurring problems encountered by individuals and employers in relation to cross-border mobility. For that purpose, the Authority shall ensure complementarity with, and draw on the expertise of, other Union agencies or services, including in the areas of skills forecasting and health and safety at work. The Authority may carry out focused in-depth analyses and studies to investigate specific labour mobility issues.

Or. en

Amendment 31

Proposal for a regulation Article 11 – paragraph 3

Text proposed by the Commission

3. The Authority shall regularly report its findings to the Commission, as well as directly to the Member States concerned, outlining possible measures to address identified weaknesses.

Amendment

3. The Authority shall regularly report its findings to the Commission, as well as directly to the Member States concerned, outlining possible measures to address identified weaknesses. ***If a joint or concerted inspection at national level leads to a conviction or to the imposition of an administrative penalty, the Member States concerned shall make public information about such a conviction or penalty by means of the relevant national information services. The Authority shall include that information in its quarterly reports.***

Or. en

Amendment 32

**Proposal for a regulation
Article 13 – title**

Text proposed by the Commission

Mediation between Member States

Amendment

Mediation ***and dispute settlement*** between Member States

Or. en

Amendment 33

**Proposal for a regulation
Article 13 – paragraph 1**

Text proposed by the Commission

1. In the event of disputes between Member States regarding the application or interpretation of Union law in areas covered by this Regulation, the Authority may perform a mediation role.

Amendment

1. In the event of disputes between Member States regarding the application or interpretation of Union law in areas covered by this Regulation, the Authority may perform a mediation ***or dispute settlement*** role.

Amendment 34

Proposal for a regulation Article 13 – paragraph 2

Text proposed by the Commission

2. Upon request of one of the Member States concerned by a dispute, the Authority shall launch a mediation procedure before its Mediation Board set up for **this** purpose in accordance with Article 17(2). The Authority may also launch a mediation procedure on its own initiative before the Mediation Board, including on the basis of a referral from SOLVIT, **subject to the agreement of all Member States concerned by that dispute.**

Amendment

2. Upon request of one of the Member States concerned by a dispute, the Authority shall launch a mediation procedure before its Mediation Board set up for **that** purpose in accordance with Article 17(2). The Authority may also launch a mediation procedure on its own initiative before the Mediation Board, including on the basis of a referral from SOLVIT.

Or. en

Amendment 35

Proposal for a regulation Article 13 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. Upon request of one of the Member States concerned by a dispute, the Authority shall launch a dispute settlement procedure before its Dispute Settlement Board, set up for that purpose in accordance with Article 17(2). The Authority may also launch a dispute settlement procedure on its own initiative before the Dispute Settlement Board, including on the basis of a referral from SOLVIT, subject to the agreement of all Member States concerned by that dispute.

Or. en

Amendment 36

Proposal for a regulation Article 13 – paragraph 3

Text proposed by the Commission

3. When presenting a case for mediation by the Authority, Member States shall ensure that all personal data related to that case is anonymised and the Authority shall not process the personal data of individuals concerned by the case at any point in the course of the mediation procedure.

Amendment

3. When presenting a case for mediation ***or dispute settlement*** by the Authority, Member States shall ensure that all personal data related to that case is anonymised and the Authority shall not process the personal data of individuals concerned by the case at any point in the course of the mediation ***or dispute settlement*** procedure.

Or. en

Amendment 37

Proposal for a regulation Article 13 – paragraph 4

Text proposed by the Commission

4. Cases in which there are ongoing court proceedings at national or Union level shall not be admissible for mediation by the Authority.

Amendment

4. Cases in which there are ongoing court proceedings at national or Union level shall not be admissible for mediation ***or dispute settlement*** by the Authority.

Or. en

Amendment 38

Proposal for a regulation Article 13 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5 a. Within three months of the Authority's decision following the dispute settlement procedure, the Member States concerned shall report to the Authority on

measures they have taken to implement that decision.

Or. en

Amendment 39

Proposal for a regulation Article 13 – paragraph 6

Text proposed by the Commission

6. The Authority shall report to the Commission on a quarterly basis about the outcomes of the mediation cases it handles.

Amendment

6. The Authority shall report to the Commission on a quarterly basis about the outcomes of the mediation ***and dispute settlement*** cases it handles.

Or. en

Amendment 40

Proposal for a regulation Article 14

Text proposed by the Commission

Article 14

Cooperation in case of cross-border labour market disruptions

At the request of the national authorities, the Authority may facilitate cooperation between relevant stakeholders in order to address labour market disruptions affecting more than one Member State, such as large-scale restructuring events or major projects impacting employment in border regions.

Amendment

deleted

Or. en

Amendment 41

Proposal for a regulation Article 15 – paragraph 1

Text proposed by the Commission

The Authority shall establish cooperation arrangements with other decentralised Union agencies where appropriate.

Amendment

The Authority shall establish cooperation arrangements with other decentralised Union agencies where appropriate, ***in particular with Europol and Eurojust.***

Or. en

Amendment 42

Proposal for a regulation Article 17 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The Authority may set up working groups or expert panels with representatives from Member States and/or from the Commission, or external experts following selection procedures, for the fulfilment of its specific tasks or for specific policy areas, including a Mediation Board in order to fulfil its tasks in accordance with Article 13 of this Regulation, and a dedicated group for the purpose of handling financial matters related to the application of Regulations (EC) No 883/2004 and (EC) No 987/2009, as referred to in Article 8(2) of this Regulation.

Amendment

The Authority may set up working groups or expert panels with representatives from Member States and/or from the Commission, or external experts following selection procedures, for the fulfilment of its specific tasks or for specific policy areas, including a Mediation ***Board and a Dispute Settlement*** Board in order to fulfil its tasks in accordance with Article 13 of this Regulation, and a dedicated group for the purpose of handling financial matters related to the application of Regulations (EC) No 883/2004 and (EC) No 987/2009, as referred to in Article 8(2) of this Regulation.

Or. en

Amendment 43

Proposal for a regulation Article 24 – paragraph 2 a (new)

2 a. *Subject to data protection law, the Stakeholder Group may receive prior briefing and may be consulted with regard, inter alia, to the following:*

(a) cross-border labour mobility analyses and risk assessments, as referred to in Article 11;

(b) analyses and risk assessments of severe disruptions of the proper functioning of the internal market;

(c) evaluations of the Executive Director, as referred to in Article 32;

(d) the consolidated annual activity report on the Authority's activities, as referred to in Article 19;

(e) anti-fraud strategy, as referred to in Article 19.

Or. en

Amendment 44

Proposal for a regulation Article 24 – paragraph 3

Text proposed by the Commission

3. The Stakeholder Group shall be chaired by the Executive Director and shall meet at least twice a year on the initiative of the Executive Director or at the request of the Commission.

Amendment

3. The Stakeholder Group shall be chaired by the Executive Director and shall meet at least twice a year on the initiative of the Executive Director or at the request of the Commission ***or a majority of its members.***

Or. en

Amendment 45

Proposal for a regulation Article 24 – paragraph 4

Text proposed by the Commission

4. The Stakeholder Group shall be composed of six representatives of Union-level social partners equally representing trade unions and employer's organisations, **and** two representatives of the Commission.

Amendment

4. The Stakeholder Group shall be composed of six representatives of Union-level social partners equally representing trade unions and employer's organisations, two representatives of the Commission, **and the Union sectoral organisations that participate in the Committee of Experts on Posting of Workers and the European Platform to enhance cooperation in tackling undeclared work.**

Or. en

Amendment 46

**Proposal for a regulation
Article 33 – paragraph 3**

Text proposed by the Commission

3. National Liaison Officers shall have competence under their Member States' national law to request information from the authorities concerned.

Amendment

3. National Liaison Officers shall have competence under their Member States' national law to request **and receive all relevant** information from the authorities concerned.

Or. en

EXPLANATORY STATEMENT

The general objective of this regulation is to establish a European Labour Authority to help strengthen fairness and trust in the Single Market. The Authority should support the Member States in ensuring effective application of the Union law in the areas of labour mobility and coordination of social security. The proposal comes as a next concrete step to further deliver on the European Pillar of Social Rights.

The rapporteur strongly supports this initiative. According to the European citizens, the freedom to live, work, study and do business anywhere in the EU is the most cherished achievement of the EU. At the same time, Europeans greatly value fairness, social protection and inclusion. Therefore, the EU must deliver on both objectives, and ensure that free mobility also means fair mobility, that workers' rights are guaranteed and protected throughout the EU, that unfair competition between workers and companies is prevented and that social fraud and the abuse of free movement are tackled.

To achieve this, we firstly need clear, fair and strict rules. This has been an absolute priority in recent years and a lot has been achieved, in particular with regard to the posting of workers directive, the enforcement directive and the platform tackling undeclared work. At the moment, work is still ongoing on the important proposals on the (transport) mobility package and the coordination of social security systems. Improved rules are necessary to ensure a fair labour market. Yet rules are not worth the paper they are printed on if they are not properly enforced. As Europeans become increasingly mobile, with over 17 million citizens working or living in a member state other than that of their nationality, the cross-border dimension of enforcement needs to be strengthened.

In his State of the Union Address 2017, European Commission President Jean-Claude Juncker announced his plans for a European Labour Authority to ensure that EU rules on labour mobility are enforced in a fair, simple and effective way. In his words, "It is absurd to have a Banking Authority to police banking standards, but no **common Labour Authority** for ensuring fairness in our single market."

In the rapporteur's opinion there is need for an Authority that has an operational mandate, a clear focus on enforcement and sufficient competences and power to achieve its goals.

Two specific issues are of major importance. First, the need for an Authority with a clear-defined role and a limited number of tasks. It is crucial that the means available are used as efficiently as possible in areas where the Authority can provide the greatest added value. This added value of the Authority should be mostly in the field of enforcement. Therefore, the rapporteur has doubts about the necessity and desirability of bringing other tasks such as information provision or employment services within the scope of the Authority. It goes without saying that improving access to information by individuals and employers, in particular SMEs, about their rights and obligations in the areas of labour mobility, free movement of services and social security coordination is crucial in order to tap the full potential of the internal market. For reasons of efficiency and effectiveness, however, such provision of reliable, up-to-date and easy accessible information should not be within the scope of the Authority, but rather at national or regional level, where also specific bilateral arrangements between Member States, for instance in the field of fiscal coordination, can be taken fully into consideration. To that end, the Commission should explore the possibility of

creating or facilitating helpdesks or one-stop-shops for companies and workers in cross-border situations, while the Authority should stick to its main task: strengthening the enforcement of the EU law and support the Member States to this end.

Second, the Authority must have the means to make an actual difference in practice. It should not become a toothless tiger; the voluntary nature of Member states' authorities participation - as proposed by the Commission - is not enough to achieve this. The rapporteur has tabled this report with the aim to strike the right balance between the competences of the Member States and the principle of subsidiarity on the one hand, and the desire for an agency at EU level with genuine capacity to improve enforcement of rules throughout the EU on the other. That means that Member States authorities should participate in proposed concerted or cross-border inspections, and can only decline to participate in exceptional and duly justified situations.

The European Labour Authority should be an efficient answer to concerns regarding the compliance with and effective and efficient enforcement of EU rules, which risks jeopardising trust and fairness in the internal market. It is therefore crucial to improve the cross-border enforcement of Union law in the area of labour mobility and to tackle abuse in order to protect the rights of mobile workers, to ensure that companies, in particular SMEs can compete on an equal playing field and to maintain support from the citizens for the internal market and the four freedoms, so that bona fide companies and workers can enjoy their rights and make use of the opportunities of the internal market to the fullest extent.