DRAFT REPORT

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

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.
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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 opinion of the European Economic and Social Committee{	extsuperscript{1}},
- having regard to the opinion of the Committee of the Regions{	extsuperscript{2}},
- having regard to Rule 59 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 (A9-0000/2021),

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.

Amendment 1

Proposal for a directive
Title 1

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DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on adequate minimum wages in the European Union

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on adequate and fair minimum wages in the European Union

Or. en

Amendment 2

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) The European Social Charter (the ‘ESC’) establishes that all workers have the right to just conditions of work. It recognises the right of all workers to a fair wages sufficient for a decent standard of living for themselves and their families. Article 4 of the ESC 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 of the ESC recognises the right of workers and employers to organise and Article 6 thereof recognises the right to bargain collectively.

Or. en

Amendment 3

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

Amendment

(6) Better working and living conditions, including through adequate and fair 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 4
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 Organization 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.

Amendment

(7) When set at adequate and fair 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 Organization (ILO) 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.

Or. en

Amendment 5
Proposal for a directive
Recital 7 a (new)

Text proposed by the Commission

(7a) During economic downturns, such as the COVID-19 crisis, the role of minimum wages in protecting low-wage workers is particularly important and is essential for the purpose of supporting a
sustainable and inclusive economic recovery.

Amendment 6
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, young and low-skilled workers and persons with disabilities still have a higher probability of being minimum wage or low wage earners. Addressing minimum wage contributes to gender equality, closing the gender pay and pension gap as well as elevating women out of poverty.

Amendment 7
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 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

Amendment

(9) 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 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
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.

**Amendment 8**

**Proposal for a directive**

**Recital 11**

*Text proposed by the Commission*

(11) Minimum wage protection set out 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.

*Amendment*

(11) Minimum wage protection set out by collective agreements in low-paid occupations is adequate 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. In addition, the use of reduced minimum wage rates (variations) and deductions from statutory minimum wages negatively affect their adequacy.

**Or. en**

**Amendment 9**

**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

*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, 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.

remuneration below the statutory minimum wage due to the failure to respect existing rules and due to current variations of and deductions from the statutory minimum wage. In particular, such non-compliance has been found to affect notably women, young workers, low-skilled 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.

Or. en

Amendment 10
Proposal for a directive
Recital 13

Text proposed by the Commission

(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.

Amendment

(13) While strong collective bargaining at sector or cross-industry level contributes to ensuring adequate and fair 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 and employer association membership. In addition, sectoral and cross-industry level collective bargaining came under severe pressure due to political decisions taken in the aftermath of the 2008 financial crisis. With the aim of achieving fair minimum wages, however, sectoral and cross-industry level collective bargaining is essential and thus needs to be promoted and strengthened.

Or. en
Amendment 11
Proposal for a directive
Recital 14

Text proposed by the Commission

(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

(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 and fair minimum wages, taking into account the outcomes of the social partners’ consultation.

Or. en

Amendment 12
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 wages set under collective agreements as defined for the purpose of this Directive.

Amendment

(15) This Directive establishes minimum requirements at Union level to ensure both that minimum wages are set at adequate and fair 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.

Or. en
Amendment 13

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 relationship.

Amendment

(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 both the private and the public sector, workers whose pay is calculated on the basis of output, where permitted by national law, domestic workers, 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 the actual performance of the work and not by the parties' description of the relationship.
Amendment 14
Proposal for a directive
Recital 17 a (new)

*Text proposed by the Commission*

(17a) 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\(^a\), as well as other health and safety provisions, to ensure decent working conditions and to safeguard workers’ physical and mental well-being.


Amendment 15
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 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

(18) **Collective bargaining should in any event be interpreted in line with ILO Conventions 98 on the Right to Organise and Collective Bargaining and 154 on Collective Bargaining, and ILO Recommendation 91 on Collective Agreements.** Well-functioning collective bargaining on wage setting is an important means to ensure that workers are protected by adequate and fair minimum wages. In
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.

the 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.

Amendment 16
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,

Amendment

(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 coverage of at least 90%, those who do not reach this level of coverage should, in consultation and agreement with
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 by law or by tripartite agreement.

Amendment 17
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 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.

Amendment

(20) Sound rules, procedures and practice for setting and updating statutory minimum wages are necessary to deliver adequate and fair minimum wages, while safeguarding existing and creating new jobs and ensuring equal treatment, a level playing field and the competitiveness of firms including small and medium-sized enterprises. They include a number of 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, comprehensive and effective involvement of the latter is another element of good governance that allows for an informed and inclusive decision-making process.

Amendment 18
Proposal for a directive
Recital 21
(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.

(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. Almost all Member States with a statutory minimum wage fall short of that threshold of decency and should adjust the level accordingly.

Or. en

Amendment 19

Proposal for a directive
Recital 22

(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.

(22) To promote and ensure the adequacy and fairness of minimum wages for all groups of workers, it is necessary to apply the principle of equal treatment. The exclusion of any worker from the protection of a statutory minimum wage cannot be justified. Variations of statutory minimum wages as well as deductions resulting in levels of wages below the statutory minimum wage undermine the
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.

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, should therefore not be deducted from statutory minimum wages. Extra payments, such as tips, overtime and end-of-year and holiday payments and bonuses, should not be included in the calculation of statutory minimum wages.

Or. en

Amendment 20
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.

Amendment

(23) An effective enforcement system, including monitoring 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.

Or. en

Amendment 21
Proposal for a directive
Recital 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 be informed of the implementation of minimum wage protection and be open to negotiate with trade unions 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.

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41 Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing...


Amendment 22

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 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 and impartial dispute resolution and a right to redress, including to adequate compensation, as well as effective 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 and dissuasive enforcement of this Directive in accordance with national law and practice.

Or. en
Amendment 23

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 not been comprehensive and systematic. Moreover, individual Member States 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.

Or. en

Amendment 24

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

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,
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.

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.

Or. en

Amendment 25
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 a decent standard of living of workers;

Or. en

Amendment 26
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 for all workers to minimum wage protection, in the form of wages set out by collective agreements, in the form of a statutory minimum wage or both, where it exists;

Or. en

Amendment 27
Proposal for a directive
Article 1 – paragraph 1 – point b a (new)
Text proposed by the Commission

Amendment

(ba) promoting upward social convergence throughout the Union.

Or. en

Amendment 28
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 protection provided by collective agreements.

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 or both.

Or. en

Amendment 29
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. 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 collective agreements universally applicable.

Or. en
Amendment 30

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 trade unions;

Amendment 31

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 32

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

Amendment

1. With the aim of ensuring the exercise of the right to effective collective
States shall take, in consultation with the social partners, at least the following measures:

*Amendment 33*

**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 at sector or cross-industry level;

*Or. en*

**Amendment 34**

**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;

*Or. en*

**Amendment 35**

**Proposal for a directive**
**Article 4 – paragraph 1 – point b a (new)**
Text proposed by the Commission

(\textit{ba}) prohibit all acts which undermine the right of or prevent workers from joining a trade union, and ensure proper access for all workers to necessary information about their rights;

Amendment

Or. en

Amendment 36

Proposal for a directive
Article 4 – paragraph 1 – point b b (new)

Text proposed by the Commission

(\textit{bb}) ensure that companies provide trade union representatives with appropriate information and facilities, in order to enable them to carry out their functions promptly and efficiently, taking into account the size and capabilities of the companies concerned;

Amendment

Or. en

Amendment 37

Proposal for a directive
Article 4 – paragraph 1 – point b c (new)

Text proposed by the Commission

(\textit{bc}) ensure the right of trade unions to access the workplace, including by digital means, and to meet workers individually or collectively, including at the workplace.

Amendment

Or. en
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 90% of the workers shall, in addition to the measures provided for in paragraph 1, ensure proper conditions to promote collective bargaining, either by law after consulting the social partners or in agreement with them. Those Member States shall, after consulting social partners or in agreement with them, establish an action plan, setting out a clear timeline and concrete measures to ensure respect for the right to collective bargaining and to promote and progressively increase the collective bargaining coverage to at least 90%. The action plan shall be updated at least every two years, made public and notified to the Commission.

Or. en

Amendment 39

Proposal for a directive
Article 4 – paragraph 2 a (new) – introductory part

Text proposed by the Commission

2a. In order to ensure proper conditions for collective bargaining,
Member States shall at least ensure that:

Amendment

Or. en

Amendment 40

Proposal for a directive
Article 4 – paragraph 2 a – point a (new)
Text proposed by the Commission

(a) trade unions have access to workplaces for the purpose of organising, negotiating on behalf of or representing workers;

Amendment

Or. en

Amendment 41

Proposal for a directive
Article 4 – paragraph 2 a – point b (new)

Text proposed by the Commission

(b) acts aiming to undermine collective bargaining or collective agreements that are signed by the most representative trade unions are prevented and prohibited;

Amendment

Or. en

Amendment 42

Proposal for a directive
Article 4 – paragraph 2 a – point c (new)

Text proposed by the Commission

(c) there is effective prevention and protection from discrimination of workers and trade union representatives who participate or wish to participate in collective bargaining.

Amendment

Or. en
Amendment 43
Proposal for a directive
Article 4 – paragraph 2 b (new)

Text proposed by the Commission

Amendment
2b. The action plan referred to in paragraph 2 shall aim to increase the collective bargaining coverage with regard to remuneration. The Commission shall monitor progress and shall submit information to the European Parliament and to the Council at least annually in that regard. Where necessary, the Member State concerned shall consult social partners with a view to updating the national action plan.

Or. en

Amendment 44
Proposal for a directive
Article 5 – title

Text proposed by the Commission

Amendment
Adequacy

Adequacy and fairness

Or. en

Amendment 45
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

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 ensure adequacy and fairness with the aim of improving
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 46**

**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;

**Amendment 47**

**Proposal for a directive**

**Article 5 – paragraph 2 – point d**

*Text proposed by the Commission*

(d) labour productivity developments.

*Amendment*

deleted

**Amendment 48**

**Proposal for a directive**

**Article 5 – paragraph 3**
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 remain competent to set the rate of the statutory minimum wage. On the basis of national criteria as referred to in paragraph 2, Member States shall establish national objectives for the adequacy of the statutory minimum wage, in order to ensure a decent standard of living for workers. Minimum wages below an indicative reference value of 60% of the gross median wage and 50% of the gross average wage shall be considered to be inadequate.**

Or. en

Amendment 49

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. **Each Member State shall establish or designate a consultative body which includes 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 impact of changes in the minimum wage on workers and businesses.**

Or. en

Amendment 50

Proposal for a directive
Article 6 – title
**Amendment 51**

**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.*

*Amendment*

1. Member States *shall ensure equal treatment of workers in the application of minimum wage protection*. Member States shall ensure that statutory minimum wages, where they exist, apply to all workers.

*Or. en*

**Amendment 52**

**Proposal for a directive**
**Article 6 – paragraph 2**

*Text proposed by the Commission*

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*

2. Member States *shall ensure that there are no deductions, such as work-related expenses, that reduce the remuneration paid to workers to a level below that of the statutory minimum wage*. *Extra payments, such as tips, overtime and end-of-year and holiday payments and bonuses, shall be excluded from the calculation of statutory minimum wages.*

*Or. en*
Amendment 53
Proposal for a directive
Article 7 – title

Text proposed by the Commission

Involvement of social partners in statutory minimum wage setting and updating

Amendment

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

Or. en

Amendment 54
Proposal for a directive
Article 7 – paragraph 1 – introductory part

Text proposed by the Commission

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

Each Member State shall ensure that the social partners are fully and regularly involved in a timely and effective manner, in the setting and updating of statutory minimum wages, including through participation in the consultative body referred to in Article 5(4) and in particular with regard to:

Or. en

Amendment 55
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;

Or. en
Amendment 56

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;

Or. en

Amendment 57

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

Or. en

Amendment 58

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

Text proposed by the Commission

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;

Amendment

Member States, in cooperation with social partners, shall take at least the following measures to ensure compliance with statutory minimum wages:

Or. en

Amendment 59

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

(1) strengthen controls and the intensity 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, ensuring that those controls and inspections are effective, dissuasive, proportionate and non-discriminatory;

Amendment 60
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.

(3) ensure that information on statutory minimum wages is made publicly available in a clear, comprehensive and easily accessible way and that workers have access to guidance in the event that their employers breach the requirement to pay the statutory minimum wage;

Amendment 61
Proposal for a directive
Article 8 – paragraph 1 – point 3 a (new)

Text proposed by the Commission

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

(3a) provide workers and employers, upon the request of both, with access to mediation or dispute settlement.
Amendment 62
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.

Amendment

In accordance with Directives 2014/24/EU, 2014/25/EU and 2014/23/EU, Member States shall take appropriate measures to ensure that in the performance of public procurement or concession contracts economic operators recognise trade unions, recognise the right of workers to organise, participate in collective bargaining, and comply with the remuneration and other working conditions established by law or collective agreements for the relevant sector or geographical area and with the statutory minimum wages where they exist, as well as Union, national and international social law.

Or. en

Amendment 63
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.

Or. en
Amendment 64
Proposal for a directive
Article 10 – paragraph 2 – point a – point ii

Text proposed by the Commission

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

Amendment

deleted

Or. en

Amendment 65
Proposal for a directive
Article 10 – paragraph 2 – point a – point iii

Text proposed by the Commission

(iii) the existing deductions;

Amendment

deleted

Or. en

Amendment 66
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 with regard to remuneration.

Or. en

Amendment 67
Proposal for a directive
Article 10 – paragraph 2 – point b – point ii

Text proposed by the Commission

(ii) the rate of collective bargaining

Amendment

(ii) the rate of collective bargaining
coverage; coverage *with regard to remuneration*;  

**Amendment 68**

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

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

**Or. en**

**Amendment 69**

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

*Text proposed by the Commission*  
*(i) the progress and effectiveness of measures and initiatives taken to increase the rate of collective bargaining coverage;*  

**Or. en**

**Amendment 70**

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;*  

**Or. en**
Amendment 71

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

deleted

Or. en

Amendment 72

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 an annual report to the European Parliament and to the Council.
The European Parliament and the Council may submit observations on that report.

Or. en

Amendment 73

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 

Amendment

5. In order to discuss the reports by the Commission, the Employment Committee referred to in Article 150 TFEU shall carry out an annual examination of the Commission reports to assess the promotion of collective bargaining on wage setting, the extent and
quality of the respect for the right to collective bargaining and the rate of increase in collective bargaining coverage and in the fairness and adequacy of statutory minimum wages in the Member States, in accordance with this Directive.

Or. en

Amendment 74

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 shall ensure that, without prejudice to specific forms of redress and dispute resolution provided for collective agreements, where applicable, workers, including those whose employment relationship has ended, have access to effective, timely 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.

Or. en

Amendment 75

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

Amendment
2. Member States shall take the measures necessary to protect workers, including those who are workers’ representatives or members of trade unions, from any adverse treatment by the employer or third parties and from any
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.

adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing compliance with the applicable law and enabling the exercise of rights relating to statutory minimum wages or minimum wage protection provided by collective agreements.

Amendment 76
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 comprehensive and timely consultation of social partners with regard to national measures to implement 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 results sought by this Directive are guaranteed at all times.

Amendment 77
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

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.

Amendment 78

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, such as the lowering of wage levels or the abolition of existing statutory minimum wages.

Amendment 79

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 and how social partners have been involved in the transposition.

Or. en