



closing gaps in European social citizenship

Ensuring workers' right to fair pay and decent standard of living: the minimum wage initiatives in a multilevel governance framework

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Viola Shahini

Angelo Vito Panaro



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- i) to advance the knowledge base that underpins the formulation and implementation of relevant policies in Europe with the aim of exercising the EU social rights as an integral part of EU citizenship and promoting upward convergence, and
- ii) to engage with relevant communities, stakeholders and practitioners in the research with a view to supporting social protection policies in Europe. Contributions to a dialogue about these results can be made through the [project website \(euroship-research.eu\)](https://euroshipresearch.eu), or by following us on Twitter: @EUROSHIP_EU.

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Authors

Viola Shahini: viola.shahini@unimi.it, University of Milan, Italy

Angelo Vito Panaro: angelo.panaro@unimi.it, University of Milan, Italy

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Abbreviations

CBC	Collective Bargaining Coverage
EMW	European Minimum Wage
EC	European Commission
EES	European Employment Strategy
EESC	European Economic and Social Committee
EMPL	European Parliament's Committee on Employment and Social Affairs
EP	European Parliament
EPP	European People's Party
EPSCO	Employment and Social Policy Council
EPSR	European Pillar of Social Rights
EPSU	European Federation of Public Service Unions
ETUC	European Trade Union Confederation
ETUI	European Trade Union Institute
EU	European Union
FEMM	Committee on Women's Rights and Gender Equality
ID	Identity and Democracy Group
IWP	In work poverty
JURI	Committee on Legal Affairs
MS	Member State
OMC	Open Method of Coordination
S&D	The Progressive Alliance of Socialists and Democrats
SMW	Statutory Minimum Wages

Closing gaps in social citizenship through multilevel governance

Ensuring workers' right to fair pay and decent standard of living: the minimum wage initiatives in a multilevel governance framework

Viola Shahini and Angelo Vito Panaro

1. Introduction

After years of political neglect, on October 19 2022, the presidents of the European Parliament and the Council signed the European Union (EU) directive on “Adequate minimum wages in the European Union”. The key objective of the EU directive is to establish a framework to improve the adequacy of statutory minimum wages and enhance access for workers to minimum wage protection through collective bargaining. The directive in fact explicitly promotes collective bargaining, acknowledging that strong and inclusive collective bargaining systems play an important role in ensuring adequate minimum wage protection.

The directive, however, did not appear in a vacuum. It relates to the ongoing employment and social challenges in Europe. In the aftermath of the Great Recession, the idea of a European Minimum Wage (EMW) initiative was already a prominent feature in the Commission's agenda. In a context of job-market polarisation, flexible labour markets, trends of increasing low-paid jobs and in-work poverty. The European Commission (EC) took a series of initiatives in the field of employment aimed at ensuring better working conditions and adequate minimum wages. More importantly, the EC launched a proposal for a directive on adequate minimum wages in October 2020 (European Commission, 2020). According to some scholars and policymakers, the EC proposal on minimum wage changed the political discourse, seeing both adequate minimum wages and strong collective bargaining as preconditions for a more sustainable and inclusive economic development (Schulten and Muller 2021).

This report aims to reconstruct the legislative process from European Commission's proposal in October 2020 to the adoption of the directive on adequate minimum wage in October 2022, and provide an assessment of the newly adopted directive looking at various actors' positions.

The report is organized as follows: Section 2 provides a comparative overview of the functional pressures that called for an EU action on adequate minimum wages and comprehensive collective bargaining. Section 3 highlights the main policy initiatives in the field of employment from the 1950s until 2019. Section 4 delves into the EC proposal (2020) and the subsequent EU directive on adequate minimum wages (2022) in more detail. While Section 5 reconstructs the legislative process from the EC proposal to the adoption of the EU directive by the European Parliament and the Council. Finally, Section 6 provides an assessment of the EMW directive.

2. The context

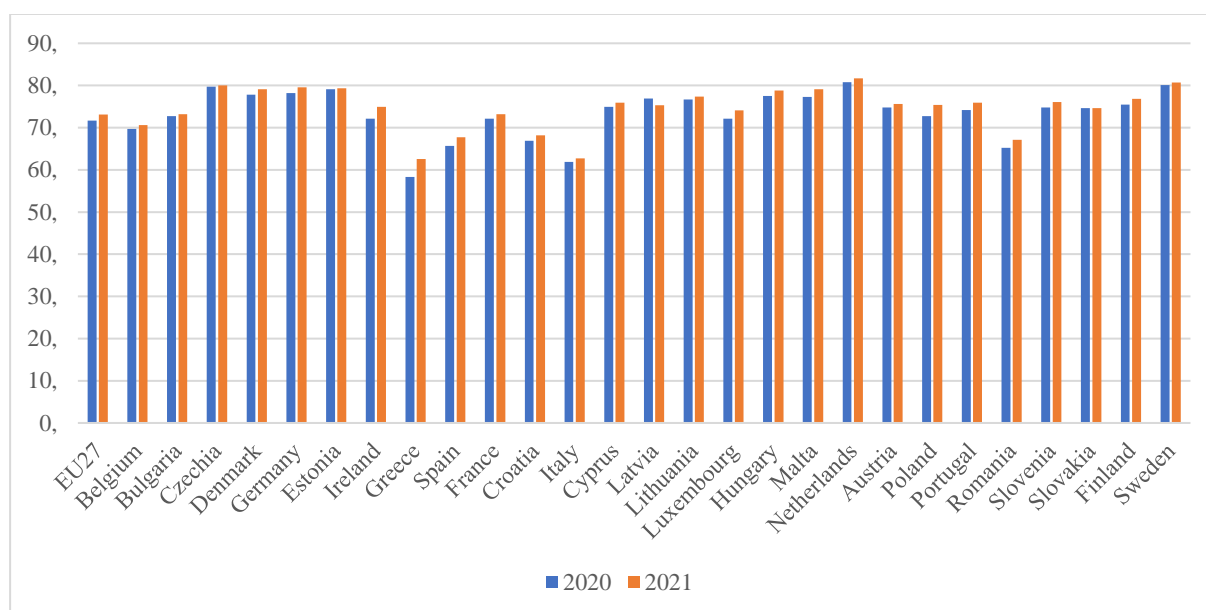
As anticipated, the EC's proposal has not appeared in a vacuum, rather it was prompted by several contextual factors exerting pressure for an EU-level intervention. Among these factors, trends of increasing low-paid work and in-work-poverty (IWP) rates have shown that a job is not always sufficient to provide a decent standard of living. This can be explained by the existing statutory minimum wage levels in the majority of Member States (MS), which fall below the adequacy targets of 60% of the gross median wage – or 50% of the gross average wage – thus allowing many workers to remain under-protected. Research has shown that an important factor that has contributed to the rise of IWP and minimum wage inadequacy was the increase in non-standard forms of employment, which tend to be associated with lower wages and limited (or no) trade union representation or collective bargaining coverage (Natili and Ronchi 2022).

This section addresses the main functional pressures that called for an EU action on adequate minimum wages and comprehensive collective bargaining. Including but not limited to increasing trends in IWP, low pay and poor-quality jobs, as well as gaps in terms of minimum wage setting, coverage, adequacy and collective bargaining coverage, which have in turn a direct impact on workers protection.

2.1. Employment and in-work-poverty

In 2021, the EU achieved an employment rate of 73.1% ([Eurostat](#)) which was very close to the Europe 2020 target of 75%. However, unemployment and economic inactivity remained very high in some countries, especially among vulnerable groups (e.g., women, low-skilled, young people and migrants). In more details, Figure 1 shows huge variations among EU Member States, with Netherlands and Sweden having the highest employment rates in the EU - 81.7% and 80.7% respectively – whereas Croatia, Spain, Romania, Italy and Greece remain below 70% for the population aged 20 to 64.

Figure 1. Employment rate in the EU MS



Source: Eurostat online

Although the EU’s approach to fight poverty and protect workers has long been centred on employment policies, having a job has proven not to be enough to protect workers from falling into poverty. Increasing trends in low-paid jobs and in-work-poverty (IWP) rates have been associated with the rise in job polarization while non-standard forms of employment (e.g. part-time, fixed-term, temporary agency, intermittent, on-demand work, etc.) are expected to further increase in the next decade, leading to larger disparities in earnings (European Parliament 2020).

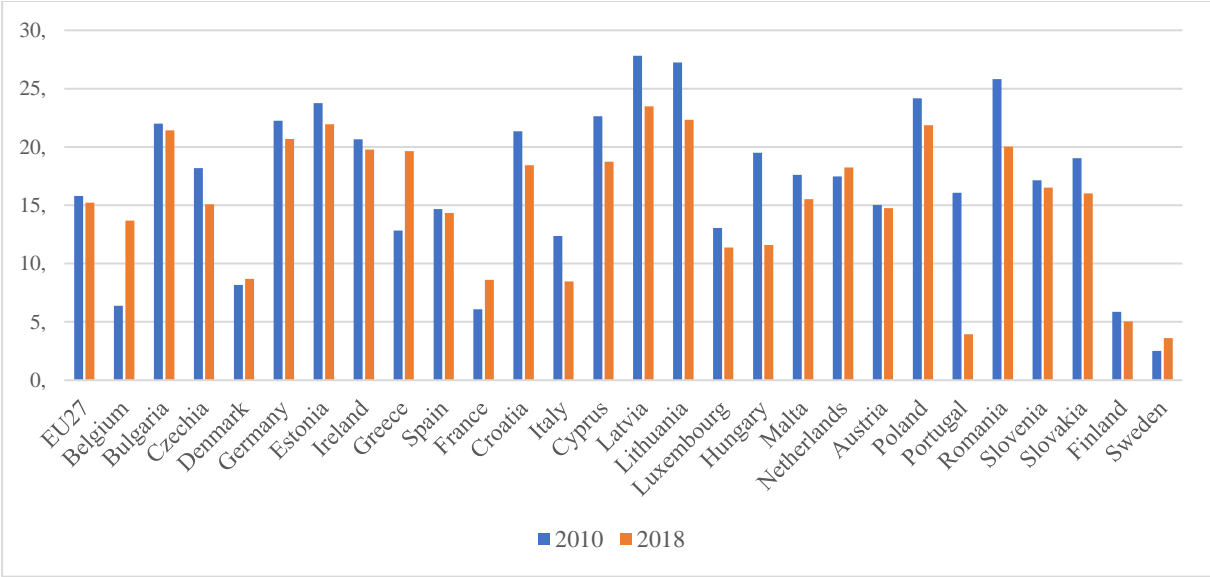
Additionally, the outbreak of the Covid-19 pandemic had an immediate impact on the EU labour market, increasing the risk of falling into poverty for the already exposed and more vulnerable groups: the lower-educated, part-time workers, those on temporary contracts and migrants (ETUI and ETUC 2020). In fact, during the Covid-19 crisis it became clear that many of the so-called “core workers” receive a relatively poor salary (Schulten and Muller 2021).

Figure 2 and Figure 3 respectively show the trends in low wage earners¹ and in-work-poverty² rates across EU MS. According to Eurostat data, one in five workers in the EU holds a poor-quality job. Interestingly, the IWP rate in the EU in 2021 averages at 8.9% – ranging from 2.8% in Finland to 15.2% in Romania. However, this share is higher among lower-educated, part-time workers and those on temporary contracts. According to Muller and Schulten (2020), the variation of IWP rates between EU MS shows the scope for setting EU-wide regulation on minimum wages that guarantees a decent wage.

¹ Low wage earners are defined as those employees earning two thirds or less of the national median gross hourly earnings. Hence, the threshold that determines low-wage earners is relative and specific to each Member State (Eurostat online).

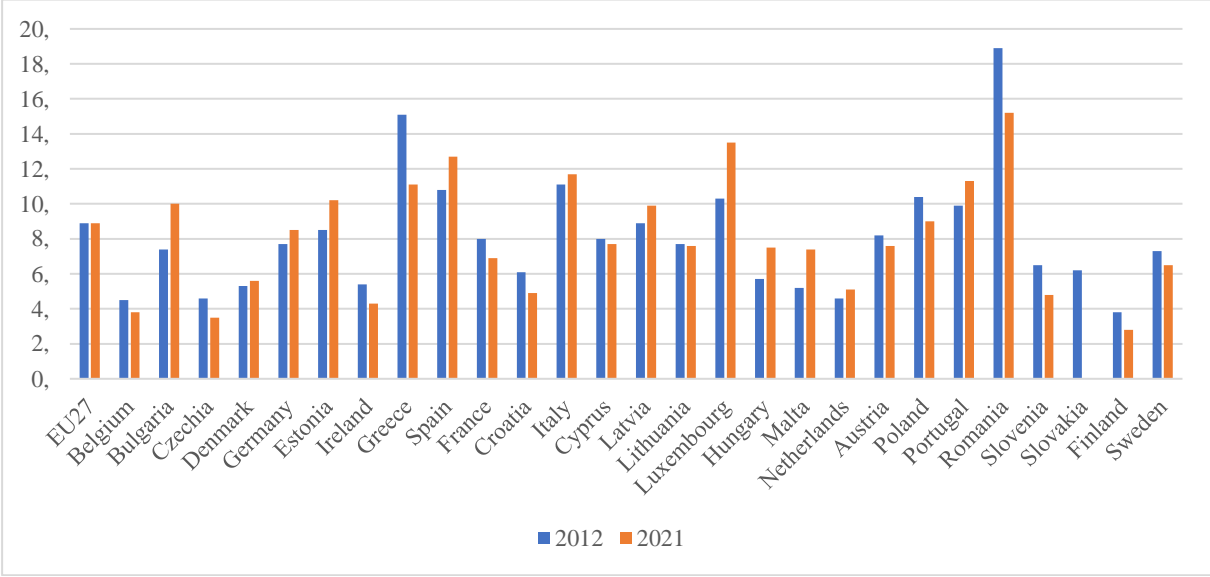
² In-work at-risk-of-poverty rate refers to the percentage of persons in the total population who declared to be at work (employed or self-employed) who are at-risk-of-poverty (i.e. with an equalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equalised disposable income (after social transfers) (Eurostat online).

Figure 2. Low-wage earners as a proportion of all employees in the EU MS



Source: Eurostat online

Figure 3. In-work at-risk-of-poverty rate in the EU



Source: Eurostat online

2.2. Wage-setting systems and collective bargaining

EU MS differ widely in terms in minimum wage setting, coverage, adequacy as well as in collective bargaining coverage.

Given that wage policy has traditionally remained a national competence, wage-setting systems vary extensively across EU member states (cf. Table 1). Importantly, not all EU member states have a statutory minimum wage (SMW). In fact, in Austria, Cyprus, Denmark, Finland, Italy and Sweden minimum wages are exclusively determined by collective agreements. Nevertheless, this does not mean that in this regime minimum wages are set at an adequate

level, but there are cross sectoral and regional disparities, Italy being a representative example (Schulten and Muller 2021).

Table 1. Minimum wage setting institutions in EU MS

Statutory minimum wage				Indexation	Non-institutionalised decisions	MW setting relying on CB
Institutionalised decisions						
Gov.t following the recommendation of MW specialised body	Gov.t following bilateral/tripartite consultations process	Gov.t following a tripartite decision-making process	Gov.t extends collective agreements by legislation			
DE EL IE FR	BG PT ES SI HR RO HU LV MT	LT PL SK	BE EE	BE FR LU MT NL SI	CZ	AT CY DK FI IT SE

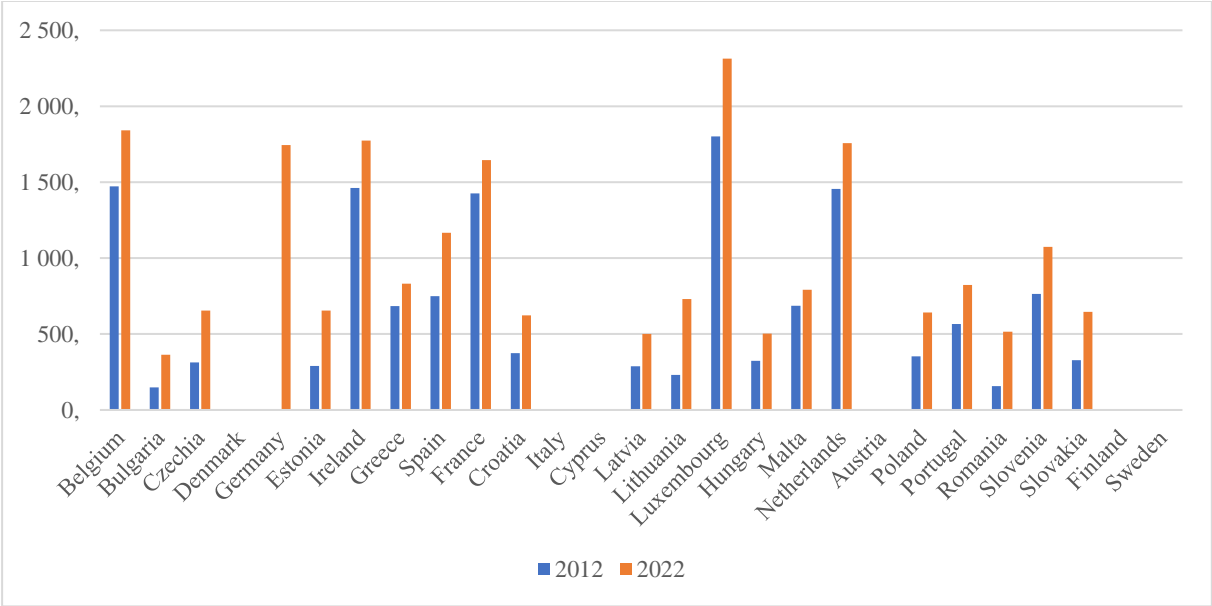
Source: European Commission 2020, p.127

As shown in Figure 4, there is huge variation in statutory minimum wages across EU Member States, ranging from €363 in Bulgaria to €2,313 in Luxembourg. Only in Belgium, Germany, Ireland, France, Luxembourg and the Netherlands SMW are above €1,500/month, while in 13 Member States they remain below €1,000/month.

Particular attention should also be paid to the trends in SMW. Even though there is a general trend towards an increase of SMW levels as compared to the 2012 levels (cf. Figure 4), compensation of inflation and cost of living must also be considered. Across the 21 EU countries SMW have risen by an average of 7.6% over the last year, but at the same time the rate of inflation has increased by an average of 12.4%. (ETUC 2022a). This in turn, according to ETUC analysis, means that the real value of statutory minimum wages has fallen by an average of 4.8%. Leaving millions of workers struggling to afford the most basic costs of living like food, rent and energy (ETUC 2022a). In fact, ETUC study shows that already before the start of the cost-of-living crisis³, almost one worker in ten in the EU27 was at risk of poverty and 7 out of 10 minimum wage workers reported difficulty in making ends meet (ETUC 2022a).

³ The cost of living crisis refers to the fall in ‘real’ disposable incomes (that is, adjusted for inflation and after taxes and benefits) that many countries are experiencing since 2021, due to increasing rent prices, double-digit inflation for food and utilities and low pay.

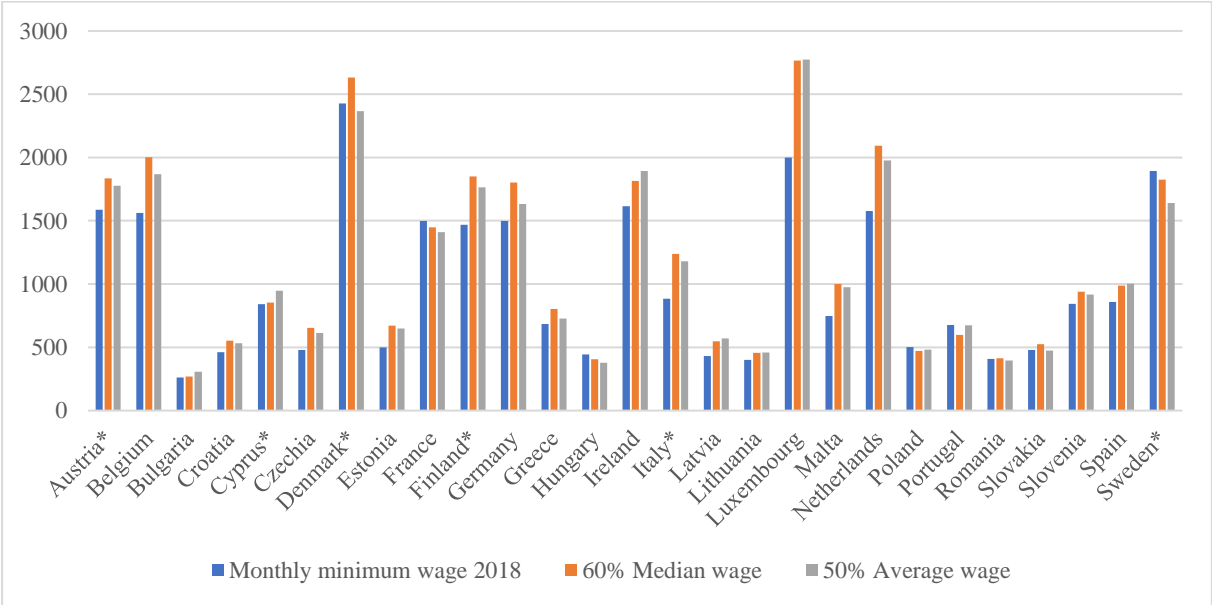
Figure 4. Monthly minimum wages in the EU MS, 2022



Note: Austria, Cyprus, Denmark, Italy, Finland and Sweden have no statutory minimum wages
Source: Eurostat online

Against this backdrop, the eroding purchasing power of low-income households and the risk of increases IWP and income inequality remains a major concern across EU member states. As shown in Figure 5, in most EU member states, national minimum wage levels are significantly below the thresholds of 60% of the national median wage and 50% of the national average wage and are thus unable to guarantee a decent standard of living.

Figure 5. Minimum wage levels compared with 60% of median wage and 50% of average wage, 2018

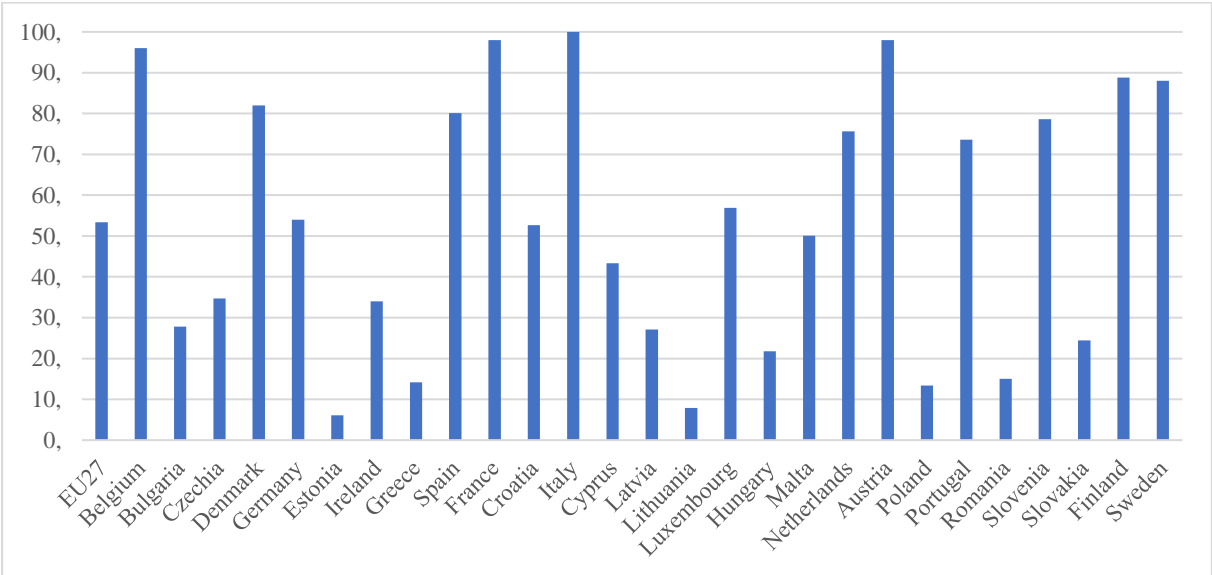


Note: * Designates countries without statutory minimum wages, whose estimated minimum wage rates are a statistical artifact which is not comparable to the rest of countries.
Source: Eurofound 2021b

Pape (2022) identifies the declining trends in collective bargaining and the lack of compliance with existing national provisions as central reasons why statutory minimum wages often remain low and insufficient to enable a decent standard of living, High collective bargaining coverage is in fact considered to be an important institutional precondition for the promotion of adequate minimum wages and a guarantee for better working conditions (Schulten and Muller 2021).

In the past decades less and less employees have been covered by collective bargaining agreements, thus lowering the level of protection for workers. In addition to a common declining trend, we also observe relevant cross-country differences in terms of collective bargaining coverage, with only 11 member states MS having a coverage above 70% (cf. Figure 6). The coverage is particularly low in Central and Eastern Europe countries where the workforce covered by collective agreement ranges from 6.1% in Estonia to 34.7% in the Czech Republic.

Figure 6. Collective bargaining coverage as % of workforce in the EU MS



Source: OECD database, 2019 or most recent data

In this context, the Von der Leyen Commission, prioritized adequate minimum wages and comprehensive collective bargaining, proposing a legal instrument for minimum wages in the EU. Importantly, the proposal argues that labour policy is not an obstacle to competitiveness and economic growth but recognises adequate minimum wages and strong collective bargaining as important institutional preconditions for sustainable and inclusive economic development (Schulten and Muller 2021).

3. Policy development in the field of employment

In this section, we reconstruct the policy development in the field of employment since the late 1950s. In doing so, we follow the work of Panaro *et al.* (2022) which distinguishes four different phases of EU employment and social policies based on the *EU priorities, strategies, governance modes and initiatives*. The first phase, the so-called “social deficit” period, lasted between 1950s and 1970s. The second phase was characterised by European Commission’s attempts to tackle the “social deficit” (1980s-1990s). In the third phase (2000-2014) employment and social policies remained higher in the EU agenda until 2009 when wage coordination disappeared from the EU debate and was replaced by economic recovery imperatives, the need for financial stability and the adoption of austerity measures. Finally, in the fourth phase (2015-2019) social and employment policies (re)gained prominence.

3.1. The first phase (1950s-1970s)

The first phase (1950s-1970s) can be traced back to 1957 when six West-European countries – Italy, France, Belgium, Luxembourg, the Netherlands and West Germany – signed the Treaty of Rome, establishing the European Economic Community (EEC). The EEC was intended to promote “*a harmonious development of economic activities throughout the Community, continuous and balanced economic expansion, an ever more rapid improvement in the standard of living...*” (Art. 2, EEC Treaty) “*... as to permit the equalization of such conditions in an upward direction*” (Art. 117, EEC Treaty). In addition, the EEC also set arrangements to foster the free movement of workers between the six countries, by abolishing discrimination on working conditions and social security benefits, which were then exclusively based on the nationality principle (Streeck, 2018).

Despite its ambitious principles in improving living and working conditions and promote workers’ mobility, this period is characterised by the so-called “social deficit” (Ferrera 2017), where economic integration was prioritised over common labour and social policy goals. As such, no EU scheme was put in place to redistribute resources and social protection was still provided by Member States (Ferrera 2017). For the six EEC founding countries, in fact, the promotion of economic growth and industrial development was seen a key objective to foster the expansion of the welfare state beyond national borders (Maccarone *et al.* 2023). Thus, EU institutions were mostly concerned with economic objectives and primarily aimed at avoiding social dumping.

Against this backdrop, an important step in the field of employment was the adoption of the Social Action Programme in 1974. Which increased the involvement of social partners in the economic and social decisions of the European Community, while the Regulation 1408/71 “*on the application of social security schemes to employed persons and their families moving within the EEC*” challenged the territorial principle of national welfare systems and introduced the principle of benefit exportability (Ferrera, 2009). With the abandonment of the nationality

requirement to access social security schemes, some core social rights then became transferable across member states.

3.2. The second phase (1980s-1990s)

Alternatively, the following second phase (1980s-1990s) can be considered comparatively ambitious in terms of labour and social policies, which were pursued independently of economic integration (Pochet 2020; Vanhercke *et al.* 2020). This period was characterised by two main developments which enhanced the priority given to employment on the European agenda.

First, Jacques Delors' golden era (1985-1995) produced a shift in EU *priorities* towards strengthening the European social and employment dimension. In line with the 1974 Social Action Programme, the Commission framed the EU discussion in terms of need for national markets to be "socially regulated", highlighting the importance of social partners' involvement. This subsequently led to adoption of a new governing framework in 1985: **the European Social Dialogue**. The launch of the European Social Dialogue paved the way for important framework agreements between EU social partners on issues such as parental leave (1995), part-time work (1997) and fixed-term contracts (1999).

Additionally, in 1989 the **Community Charter of the Fundamental Social Rights of Workers** was adopted. It opened for the first time the debate on a European initiative on minimum wage policy and collective bargaining, stating that "*workers shall be assured of an equitable wage, i.e. a wage sufficient to enable them to have a decent standard of living*" (art. 5). Subsequently, in 1993 the **EC opinion "On an Equitable Wage"** recommended MS to "*take appropriate measures to ensure that the right to an equitable wage is protected, in particular by a reassessment of the adequacy of existing arrangements to protect the right to an equitable wage... including consideration of the following:...mechanisms for the establishment of negotiated minima and the strengthening of collective bargaining arrangements*" (European Commission, 1993).

Second, the relevance of employment and social policies during this period can also be attributed to the rise of left-wing governments in the EU Member States, advocating for a stronger European social dimension. The shift made it possible to include an '**Employment' chapter in the Treaty of Amsterdam** and the launch of the **European Employment Strategy (EES)** in 1997. The EES was the result of a series of actions undertaken by trade unions and social and political actors to raise awareness on the importance of social policies in mitigating problems linked to both the monetary integration of the Euro (1995-2005) and long-standing structural problems (e.g., low employment rates, high long-term unemployment). The EES was then set to establish common objectives and targets for employment policy. Aiming to provide coordinated guidance of national employment policies that would reduce unemployment rates and increase employment.

In short, the 1993 EC's opinion can be seen as a first attempt to coordinate national minimum wages and collective bargaining at the EU level. On the other hand, although the launch of the EES 1997 increased the salience of employment and social policy at the EU level, in practice this initiative had hardly any impact at national level, with most of the MS arguing that wage policy was still a national competence (Schulten *et al.* 2015).

3.3. The third phase (2000-2014)

3.3.1. A revamped interest in social and employment policy (2000-2008)

The beginning of the new century started with a revamped attention for labour market policies. In particular, the **Lisbon Strategy** represented a first important step towards the development of employment and social policy at the EU level. The agreement reached in 2000, aimed to achieve two ambitious goals: First, it aimed to push for a comprehensive transformation into a European “knowledge-based economy” with a strengthening of the MS’ competitiveness in global markets. Second, to provide a solution to longstanding common socio-economic problems, such as productivity stagnation, (un-) employment, poverty, and social exclusion (Armstrong, 2010; Ferrera and Rhodes, 2000; Natali, 2009).

Different from the previous phase, the new strategy envisioned a triangulation of economic, employment and social policy as equally important and mutually reinforcing pillars towards the establishment of a new sustainable EU growth model (Armstrong 2010; Barcevičius *et al.* 2014). Among other initiatives, the Lisbon strategy introduced the *Open Method of Coordination* (OMC) as a new governance instrument in social policy areas, such as Poverty and Social Inclusion, Pensions, and Health and Long-term Care.

At the same time, with regards to wage policy and collective bargaining, a few proposals also emerged during the early 2000s, including support for the idea of a **European Minimum Wage framework** aimed at reducing the risk of social dumping and the fears of growing labour migration from Eastern to Western Europe (Schulten 2008; Natili and Ronchi 2022). Among others, the **2008 Commission Recommendation “on the active inclusion of people excluded from the labour market” (867/2008)** can be seen as an attempt to set the basis for a comprehensive strategy that combines income support, inclusive labour market policies and equal access to quality services (Panaro *et al.* 2021).

However, strong opposition emerged against a EMW framework from countries where minimum wages were set through collective bargaining, in particular, Nordic countries, Germany, Austria and Italy (Natili and Rochi 2022). According to Schulten (2008), these proposals also faced resistance both within the EP – even among the S&D – and among social partners. In fact, apart from the European Federation of Public Service Unions (EPSU), which launched a campaign against low pay in Europe in 2006, a EMW initiative was never the focus of European trade union organizations due to strong scepticism or even rejection from the Nordic and the Italian trade unions, resisting any intervention in national collective bargaining

autonomy (Schulten 2008). Resistance to a European minimum wage policy also came from the employers' side (BusinessEurope 2008).

As a result, the proposals of an EMW framework began to fade away and the European Commission gave up trying to develop minimum wage policy as a European policy area, in its own right (Vanhercke *et al.* 2021).

3.3.2. Abandoning the idea of a EMW framework (2009-2014)

During the period 2009-2014, the European employment policy in general, and wage policy more specifically, completely disappeared from the Commission's agenda. With the enlargement of the EU to 25 (and then 27) members and many centre-right governments in power, the new Barroso Commission (2004-2014) produced substantial changes in the overarching Lisbon architecture and its governing style, fusing the European Employment Guidelines of the EES within the Broad Economic Policy Guidelines (Panaro *et al.* 2022).

Critically, the advent of the economic crisis (2008-2010) contributed to brush off social and labour market policy goals from the EU agenda in the place of financial stability and macroeconomic balance (Verdun and D'Erman, 2020; Pochet 2020). There is no doubt in fact that during the second half of the 2000s the EU debate was largely dominated by the narrow focus on financial stability, economic recovery and related austerity measures, which eventually also impinged on the infancy of the new EU strategy.

Launched in 2010, the new governance strategy, **Europe 2020**, aiming at bringing labour and social policy back to the core of the EU policy coordination (Jessoula 2015). The new strategy was designed as the successor to the Lisbon Strategy and aimed to build on a partnership for “*smart, sustainable and inclusive growth*” (European Commission 2010). As for labour market policy, in **the first headline target** the Commission set “*an employment rate of 75% rather than 70% but for the population aged 20 to 64*” and changed “*the age base from 16-64 to 20-64 with the aim of increasing the numbers of students in post-secondary education.*” (European Commission, 2010). Among the seven European flagship initiatives advanced in EU 2020 strategy, instead, the **sixth flagship initiative** focuses on creating “*an agenda for new skills and jobs to modernise labour markets and empower people by developing their skills throughout the lifecycle with a view to increase labour participation and better match labour supply and demand, including through labour mobility*” (European Commission 2010).

Despite setting clear, realistic, and potentially more inclusive quantitative targets in the field of employment, the Europe 2020 strategy did not provide any substantive changes until the mid-2010s (cf. Panaro *et al.* 2022). As discussed above, the bulk of the EU attention was in fact devoted to stabilizing EU's economies under the “Austerity Umbrella”, where draconian budget cuts were prioritized over social and labour market policy reforms and seen as the only solution to solve the economic crisis (Jessoula and Madama 2018; Natili and Ronchi 2022; Blyth 2015).

3.4. The fourth phase (2015-2019)

It was only with the Juncker Commission (2015-2019) that there was a revamping of the social dimension at the EU level, allowing for greater involvement of the European Parliament, national parliaments, and stakeholders in the discussion of the social and labour market policy measures to be considered in the national budgets.

A major step in this direction was taken in November 2017 when the European Parliament, the Council and the Commission officially proclaimed the launch of the **European Pillar of Social Rights** (EPSR). The Pillar sets out twenty principles for a strong social Europe in three main areas: equal opportunities and access to the labour market; fair working conditions; social protection and inclusion. Chapter II of the Pillar envisages fair working conditions that are further spelled out in three principles on secure and adaptable employment (Principle 5) fair wages that provide for a decent standard of living (Principle 6) and information about employment conditions and protection in case of dismissals (Principle 7).

Table 2. Timeline of main employment, wage policy and collective bargaining initiatives at the EU level

Year	Policy initiatives
1985	European Social Dialogue
1989	Community Charter of the Fundamental Social Rights of Workers
1993	EC opinion “On an Equitable Wage”
1997	Treaty of Amsterdam (Art. B)
1997	European Employment Strategy (EES)
2000	Treaty of Lisbon (Art. 3)
2008	Commission Recommendation (867/2008)
2010	Europe 2020 “Employment target”
2017	EPSR, Principle 6: Workers have the right to fair wages that provide for a decent standard of living. Adequate minimum wages shall be ensured, in a way that provides for the satisfaction of the needs of the worker and their family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. In-work poverty shall be prevented.

Source: Authors’ elaboration

4. The EC’s proposal vis-à-vis the EU Directive on Minimum Wage

4.1. The EC proposal on adequate minimum wages in the EU (2020)

In line with this approach, the novel composition of the European Commission in 2019 opened new opportunities for strengthening EU’s employment policy (Raitano *et al.* 2021). In 2020,

the new Von der Leyen Commission published the Action Plan to bring the EPSR to life. In doing so, it set up three headline targets for the EU to reach by 2030. Among the three first objectives, the provision of “more and better jobs” ranks high on the Commission agenda (von den-Leyen 2019). In fact, the Action Plan highlighting the need to “*ensure that jobs pay an adequate wage in order to guarantee adequate working and living conditions*” in line with the principle 6 of the EPSR, included a proposal on a legal instrument for minimum wages (Von der Leyen, 2019).

To this purpose, in October 2020, the European Commission published its proposal no. 2020/0310 for a directive on adequate minimum wages, aimed at establishing a framework for setting “*adequate levels of minimum wages, 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*”(art.1) and supporting “*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...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*” (art. 3).

In other words, in line with the subsidiarity principle, the proposal aimed to ensure minimum wages are set at an adequate level, that each worker can earn a decent living in the EU and collective bargaining coverage is improved. However, it did not oblige Member States to set statutory minimum wages by law nor did it set a common minimum wage level (Natili and Ronchi 2022). Nevertheless, different from previous EU initiatives that linked labour policy issues to competitiveness and economic growth, this proposal conceptualized adequate minimum wages and strong collective bargaining as preconditions for sustainable and inclusive growth in the EU (Schulten and Muller 2021).

4.2. The EU Directive on Minimum Wage (2022)

Two years later, on October 19 2022, in accordance with both Article 153(2/b) and Article 153(1/b) of the TFEU, the presidents of the European Parliament and the Council signed the directive no. 2022/2041 on “Adequate minimum wages in the European Union”, which establishes a framework for:

- (a) adequacy of statutory minimum wages with the aim of achieving decent living and working conditions.
- (b) promoting collective bargaining on wage-setting.
- (c) enhancing effective access of workers to rights to minimum wage protection were provided for in national law and/ or collective agreements (art.1).

In terms of adequacy, art. 5/4 states that “*Member States shall use indicative reference values to guide their assessment of adequacy of statutory minimum wages. To that end, they may use*

indicative reference values commonly used at international level such as 60 % of the gross median wage and 50 % of the gross average wage, and/or indicative reference values used at national level.”

Regarding collective bargaining coverage, art. 4/2 obliges *“each Member State in which the collective bargaining coverage rate is less than a threshold of 80 % shall provide for a framework of enabling conditions for collective bargaining, either by law after consulting the social partners or by agreement with them. Such a Member State shall also establish an action plan to promote collective bargaining. The Member State shall establish such an action plan after consulting the social partners or by agreement with the social partners, or, following a joint request by the social partners, as agreed between the social partners. The action plan shall set out a clear timeline and concrete measures to progressively increase the rate of collective bargaining coverage, in full respect for the autonomy of the social partners. The Member State shall review its action plan regularly and shall update it if needed. Where a Member State updates its action plan, it shall do so after consulting the social partners or by agreement with them, or, following a joint request by the social partners, as agreed between the social partners. In any event, such an action plan shall be reviewed at least every five years. The action plan and any update thereof shall be made public and notified to the Commission”*.

With the aim of ensuring effective access of workers to statutory minimum wages, art. 8 states that *“Member States shall, with the involvement of the social partners, take the following measures to enhance the effective access of workers to statutory minimum wage protection as appropriate, including, where appropriate, strengthening its enforcement: (a) provide for effective, proportionate and non-discriminatory controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages; (b) develop the capability of enforcement authorities, in particular through training and guidance, to proactively target and pursue non-compliant employers”*.

5. The legislative process behind the EU Minimum Wage Directive

While wage policy is the responsibility of EU Member States, after decades of political neglect, the idea of strengthening minimum wage and collective bargaining coordination gained importance at the EU level in the mid-2010, culminating in European Commission’s proposal for a directive in October 2020, which marked a *paradigm shift* in European labour policy (Schulten and Muller 2021; Natili and Ronchi 2022).

The Commission’s proposal was subsequently endorsed by the European Parliament, which issued its position report no. 0325/2021 in November 2021, followed by the Council, which adopted its general approach in December 2021. Interinstitutional negotiations between the EP and the Council concluded on June 06 2022 with a provisional agreement. The EP adopted it with no amendments and 505 votes in favour on September 14 2022. The directive was then officially adopted by the Council on October 04 2022, with Denmark and Sweden voting against, while Hungary abstained.

Within this context, this section aims at tracing how the Commission's original proposal of October 2020 was modified before the directive was eventually adopted in October 2022. Looking at the amendments proposed by institutional actors at the EU level, namely European Parliament's resolutions, the report issued by the Committee on Employment and Social Affairs, the Employment and Social Policy Council's general agreement, as well as the inter-institutional negotiations between the Parliament and the Council.

5.1. The legislative process: the position of the EP and the Council

The EP supported the Commission's proposal just from the beginning, emphasising that this directive should contribute to eliminating in-work poverty and promote collective bargaining, in line with national traditions (European Parliament 2020). In addition, in the December 2020 resolution on a strong social Europe for just transitions, the EP called on the Commission to strengthen the social clause of the directive proposal with the aim of promoting upward social convergence. In an effort to make the Commission's proposal more ambitious, the EP also insisted that statutory minimum wages should be set at a level above a decency threshold, with the full involvement of social partners. Calling on the Commission and the Member States, together with social partners, to commit to reaching a 90% coverage of collective bargaining by 2030 – in contrast with the Commission original proposal which set the threshold at 70%. Moreover, in the resolution on reducing inequalities with a special focus on in-work poverty (February 2021), the Parliament asked the Member States to adapt their national legislation where it hampers both collective bargaining and the right to associate, negotiate and conclude collective agreements, and to respect and enforce the right to fair minimum wages, where applicable.

These demands were subsequently reflected in the report issued by the European Parliament's Committee on Employment and Social Affairs (EMPL) in April 2021. Importantly, in the draft report, rapporteurs Dennis Radtke (EPP, Germany) and Agnes Jongerius (S&D, the Netherlands) resolved to make the proposal more ambitious by introducing significant amendments, moving the 'threshold of decency' to the articles (the Commission's proposal included it in the preamble) and improving the criteria according to which the SMW should be adequate and fair and ensure a decent standard of living for workers (art. 1 paragraph 1/a). In addition, the report clarified that the trade unions are responsible for collective bargaining (art. 3 paragraph 1/3) and added a new section aimed at prohibiting *"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"* (art. 4 paragraph 1/ba). Moreover, same as in EP's proposal, the report increased the target from 70% to 90% for collective-bargaining coverage and called on the Member States to *"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%"* (art.4 paragraph 2/2).

In October 2021, the Committee on Women’s Rights and Gender Equality (FEMM) issued an opinion emphasising the role of minimum wages in promoting gender equality in all areas, including employment, work and pay, and ensuring social justice, whereas the Committee on Legal Affairs (JURI) issued an opinion on the legal basis of the proposed directive, confirming its appropriateness under Article 153(2) in conjunction with point (b) of Article 153(1) of the TFEU. Subsequently, the EMPL committee adopted its report on November 18 2021, increasing the target for collective-bargaining coverage to 80%, and clarifying that MS should assess the adequacy of SMW using as reference values 60% of the gross median wage and 50% of the gross average wage (art. 5, paragraph 3). On November 25 2021, Parliament’s plenary confirmed with 443 votes in favour the EMPL committee’s mandate to enter into interinstitutional negotiations.

Within the Council, Natili and Ronchi (2022) found out that the negotiations were very challenging and any agreements were very difficult to reach. The line of conflict was divided between Denmark, Sweden, Poland, Hungary, the Netherlands, Austria, Ireland, Greece and Malta preferring a non-binding recommendation instead of a directive. Versus Germany, France, Italy and Spain were in favour of the proposal for a directive, considering it an important step to deliver on principle 6 of the European pillar of social rights (Natili and Ronchi 2022). On December 06 2021, the Employment and Social Policy Council (EPSCO) reached a general agreement, which altered the proposal significantly (cf. table 3). It stated that MS should promote (not ensure) adequacy levels of SMWs and its criteria would be “*decided by MS in accordance with their prevailing national socio-economic conditions*” (Council 2021). Regarding the collective bargaining coverage, according to Council’s general approach the threshold of 70% is no longer an objective but only an indicator below which the obligation to “*provide for a framework of facilitative procedures and institutional arrangements enabling the conditions for collective bargaining as well as to establish an action plan*”.

Table 3 The EU initiative on adequate minimum wages: from proposal to directive

	EC proposal October 2020	EP report November 2021	Council general approach December 2021
Art 4/2	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.	Member States where the overall collective bargaining coverage regulating remuneration is less than 80% of the workers shall, in addition to the measures provided for in paragraph 1, ensure the enabling conditions to promote collective bargaining, in the form of an action plan , by law after consulting social partners, in agreement with social partners or, following a joint request, between social partners. The action plan shall set out a clear timeline and concrete measures to effectively ensure the right to collective bargaining to promote and progressively increase the coverage of such collective bargaining to at least 80% of the workers. The action plan shall be updated at least every two years, after consulting social partners, in agreement with social partners or, following a joint request, between social partners.	In addition, Member States shall where collective bargaining coverage is below an threshold of 70% 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, <i>in consultation with social partners</i> , establish an action plan to promote collective bargaining.
Art 5	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.	Member States shall assess and report on the adequacy of statutory minimum wages and may use indicative reference values to guide their assessment of adequacy of statutory minimum wages in relation to the general level of gross wages, such as those commonly used at international level of 60% of the gross median wage and 50% of the gross average wage.	Member States shall use commonly used indicative reference values to guide their assessment of adequacy of statutory minimum wages.
Art 8	Member States shall (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; (2) develop guidance for enforcement authorities to proactively target and pursue non-compliant businesses; (3) ensure that information on statutory minimum wages is made publicly available in a clear, comprehensive and easily accessible way.	Member States shall (1) improve and strengthen controls and the intensity and frequency of field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages and ensure the availability of adequate resources in that regard, so that those controls and inspections are effective, dissuasive, proportionate and non-discriminatory; (2) develop capacity-building, training and guidance for enforcement authorities to proactively target and pursue non-compliant employers, particularly in view of routine and unannounced visits, legal proceedings and dissuasive sanctions in the case of infringements; (3) ensure that information on statutory minimum wages and redress mechanisms referred to in Article 11 is made publicly available in a clear, comprehensive and easily accessible way and in formats accessible to all, in particular to persons with disabilities and non-native speakers in relevant languages, and that workers have access to guidance in the event that employers infringe the requirement to pay the statutory minimum wage; (3a) provide workers and employers, upon the request of both, with access to mediation or dispute settlement.	Member States shall (a) <i>provide for appropriate</i> controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages; those controls and inspections shall be proportionate and non-discriminatory; and (b) develop guidance for enforcement authorities to proactively target and pursue noncompliant <i>employers;</i>

Note: continues in the Appendix

Interinstitutional negotiation between the EP and the Council on a compromised text for the EMW directive concluded on June 06 2022 with a provisional agreement in place. To ensure that minimum wages in EU MS guarantee decent standards of living and strengthening sectorial and cross-industry collective bargaining. As a reference value to determine the minimum wage level, MS may apply the 60% of gross median wage and 50% of the gross average wage. Moreover, the agreement concluded that MS with less than 80% of workforce covered by collective bargaining will have to set up an action plan to progressively increase this coverage.

Subsequently, the provisional agreement was approved by the EMPL committee on July 12 2022 with 34 votes in favour, 8 against and 2 abstentions. The EP adopted it with no amendments on September 14 2022 with 505 votes in favour, 92 against and 44 abstentions.

The directive was officially adopted by the Council on October 04 2022, with Denmark and Sweden voting against, while Hungary abstained. In addition, Bulgaria, Denmark, Hungary, Austria and Poland issued explanatory statement on how to interpret the directive (Council 2022).

Overall, we observe conflicting dynamics regarding the EP and the Council's approaches towards the Commission's proposal for a directive on adequate minimum wages. The EP not only supported the Commissions' proposal but encouraged even more far-reaching and binding regulations (Schulten and Muller 2021). In fact, as we can see from table 3, the EP amendments aimed to make the proposal more ambitious by significantly improving the adequacy criteria of minimum wages - moving the reference value to 60% of the gross median wage and 50% of the gross average wage from the recital to the articles - and increasing the threshold of "at least 70%" collective bargaining coverage to "at least 80%". Natili and Ronchi (2022) attribute this position to the balance of power within the EP, with most of the MEPs supporting these amendments, whereas opposition came from the ID group, right-wing MEPs from Eastern Europe and Nordic MEPs.

In contrast, the Council's position in its general agreement made the proposal more vague and less binding, by diminishing the adequacy criteria. Which would instead be decided by MS in accordance with their prevailing national socio-economic conditions – whereas the threshold of 70% was redefined. Originally an objective, the council recommended it to be a level below which the obligation to establish an action plan to promote collective bargaining is triggered. Natili and Ronchi (2022) argue that negotiations were difficult to be reached with the Council due to the opposition of Nordic and Eastern European MS: while Nordic countries feared that an EU intervention would undermine their standards, Eastern countries are generally sceptical because they want to maintain their national sovereignty (Natili and Ronchi 2022).

6. Assessment of the Directive on Adequate Minimum Wages: Policy Outcomes and Actors' Positions

As previously stated, in addition to reconstructing the legislative process that led to the adoption of the European directive on adequate minimum wage in October 2022, this report aims at assessing the newly adopted directive. To this end, this section provides an overall assessment of the policy output and outcome looking at the two main objectives of the EMW directive. In addition, it maps the position of various actors', who may have acted in favour or hindered policy implementation at the national level.

Overall, in terms of policy output, the directive on adequate minimum wages constitutes a substantive step ahead in realising the right to fair wages providing a decent standard of living and preventing in-work poverty as set out in principle 6 of the European Pillar of Social Rights. The directive met both of the two main objectives in considering a decent level of statutory minimum wages at 60% of gross median wage and/or 50% of gross average wage when setting statutory minimum wages and increasing the collective bargaining coverage (CBC) to at least 80% of workers,

As such, the directive sets a framework for setting the SMW in MS where collective bargaining coverage exists, but the countries that do not have a SMW are not obliged to introduce one. In countries with a SMW, the directive proposes that MS use the reference values of 60% of the national median wage and 50% of the national average wage. Moreover, the directive requires member states to draw up national action plans to increase the collective bargaining coverage if less than 80% of the workforce is covered by collective bargaining agreements.

In terms of outcomes, as shown in section 2, most EU MS fall short of these thresholds, meaning that in terms of policy outcomes we should expect some increases in minimum wages and collective bargaining coverage. In fact, a study conducted by Haapanala *et al.* (2022) concludes that the implications for the minimum-wages directive are encouraging in establishing an effective wage floor. They argue that while MS have authority on implementation towards meeting the target value of 80% CBC plays a significant role in achieving adequate and fair minimum wages (Haapanala *et al.* 2022).

Nevertheless, while the directive marks a fundamental paradigm shift in European wage policy, there is a significant difference between the formulation of its main two objectives. In fact, Schulten and Muller (2021) argue that while the directive requires all Member States whose collective bargaining coverage is below 80% to develop a concrete action plan to increase their collective bargaining coverage. It does not require MS to comply with the double-threshold for adequate minimum wages, instead it only creates a European normative frame of reference against which national minimum wage policies will have to be measured in the future (Schulten and Muller 2021). In other words, given that the EU does not oblige MS to set the minimum wage at 60% of median wage for every worker, national governments can deviate from this threshold and make exceptions (Schulten and Muller

2021). Therefore, since final decisions and implementation remains at national level there is no guarantee that each MS will achieve the minimum wage adequacy targets. Moreover, even though the directive sets a “hard” quantitative target on CBC by obliging all Member States whose collective bargaining coverage is below 80% to develop a concrete action plan to promote collective bargaining, Schulten and Muller (2021) argue that there is no automatism that MS would meet this target, since a significant increase of the bargaining coverage is not at all easy to achieve (Schulten and Muller 2021).

However, the authors expect the EU Directive to significantly frame the national debates, providing a strong argument for trade unions to push for higher minimum wages and strong collective bargaining.

In fact, at the EU level, trade unions are calling for faster implementation of the directive by member state governments. In the words of Esther Lynch (ETUC Deputy General Secretary), *“Today marks the end of a long legislative process but there can be no celebrations until this directive delivers money in people’s pockets... There is absolutely no excuse for member states to wait two years to deliver decent pay, the cost-of-living crisis demands that governments help the lowest paid workers immediately ... Governments should follow Germany in taking action now to increase statutory minimum wages and also promote collective bargaining as the best way to ensure genuinely fair pay.”* (ETUC 2022b).

Employers’ Associations; however, are much less in favour. In fact, in press release, BusinessEurope called the initial proposal by the European Commission “a recipe for disaster” and “a legal monster”, urging EU institutions to pursue the minimum wage objectives through a *non-binding instrument* such as a Council recommendation (Business Europe 2020). In particular, the directive is of great concern for the Europe’s Tech and Industry Employers association Ceemet as well. Ceemet forcefully denied that there is a legal basis for the EU to impose a minimum wage and argued that the directive would weaken social partner autonomy (Ceemet 2021).

Even stronger scepticism came from some MS in the Council. In particular, the Danish and the Swedish governments have long resisted the directive as they have labour systems without much state intervention and even less EU intervention. In both countries, social partners negotiate nearly everything related to working conditions on their own and the rather high wage level seems to indicate that this model works well which is why they resist all EU “intrusion” that might represent a threat to their model. In more details, during the meeting of the workers’ group of the European Economic and Social Committee (EESC) in September 30 2022, the Danish labour minister Peter Hummelgaard argued that Denmark accession to the EU was built on the fundamental premise that EU would not meddle with the Danish labour market, claiming that *“This [directive] erodes everything we ever argued for and also convinced our members to support”* (Euractive 2022). In addition, the Danish government justified its vote against the directive on minimum wages through a statement to the Council arguing that: *“Achieving this objective must be done with respect for the fact that wage setting is national competence and with respect for the autonomy of the social*

partners... The social partners are responsible for wage setting in Denmark and it is essential to preserve the autonomy of the social partners in this regard. Against this background, Denmark is as a matter of principle opposed to introducing any binding regulation at EU-level regarding minimum wage.” (Council 2022).

Even though not opposed to the minimum wage Directive, similar statements were issued by Austria, Bulgaria, Hungary and Poland to clarify their main concerns. While the Austrian governments argued that the proposed directive should not undermine or change its existing wage-setting and collective bargaining systems, Eastern European countries main concern regarded clarification of the concept ‘gender’ as referring to ‘sex’ and, accordingly, they would use the reference to ‘data disaggregated by gender’ in Article 10(2) of the text of the directive as data disaggregated by sex (women and men) (Council 2022).

Contrarily, the EU Commissioner for Jobs and Social Rights Nicolas Schmit welcomed the directive calling it a “timely achievement” and a “historic moment for Europe”, which according to him introduces “an effective instrument to guarantee upward wage convergence” (European Parliament 2022b).

In a similar vein, the EP was more supportive of the new directive, with the only opposition coming from the Identity and Democracy group, whose members opposed the initiative both at the national level and in the European political arena (Natili and Ronchi 2022).

7. Conclusions

The adoption of the 2022 EU directive on minimum wage did not come out unexpectedly. In fact, after an initial phase of “social deficit”, several attempts were made by trade unions and EU institutions, in particular the European Commission, to provide a common EMW framework already starting from the early-2000s. Those attempts; however, faced strong opposition from the EU Member States, particularly the Nordic countries, Germany, Austria and Italy, and social partners, mainly business groups, which prevented any development of such proposals until recently. It was in fact only with the launch of the EPSR in 2017 and the von der Leyen Commission proposal for a directive on EMW in 2020 that we observe a strengthening of the EU’s intervention in the labour policy.

Against this backdrop, the directive on adequate minimum wages can be interpreted as a fulfilled goal of a long-standing policy trajectory in this field. The directive in fact constitutes a substantive step ahead in creating a common European Framework on Adequate Minimum Wage that aims to provide decent standards of living and working conditions for all workers. As well as promote collective bargaining on wage-setting and ensure effective access to statutory minimum wages.

Nevertheless, given that the EU does not oblige MS to set minimum wages nor does the directive require the MS to set the level of minimum wages or a common minimum wage level. Final decisions and implementation remain at the national level and therefore, there is no guarantee that each MS will achieve the minimum wage adequacy targets. Moreover, despite the “hard” quantitative target on CBC, increasing its coverage is not easy to achieve for all MS (Schulten and Muller 2021).

In sum, although it might be early to draw final conclusions, it is without a doubt that the 2022 directive on adequate minimum wages represents an important step ahead in the field of European employment policy. Yet, due to conflicts between actors who supported the directive and others who reacted against it. The EMW may also produce long-standing consequences for the future stability of the EU as a political and economic union (Natili and Ronchi 2022).

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Appendix

Table 4. From European Commission’s proposal to Council’s general agreement

	Commission proposal	EP amendments	Council
Title	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on adequate minimum wages in the European Union	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on on adequate <i>and fair</i> minimum wages in the European Union	
Art. 1	<p>1. With a view to improving working and living conditions in the Union, this Directive establishes a framework for:</p> <p>(a) setting adequate levels of minimum wages;</p> <p>(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.</p> <p>This Directive shall be without prejudice to the full respect of the autonomy of social partners, as well as their right to negotiate and conclude collective agreements.</p> <p>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.</p> <p>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.</p>	<p>1. With a view to improving working and living conditions in the Union for all workers, and in order to contribute to upward social convergence, and the reduction of wage inequality and the gender pay gap throughout the Union, this Directive establishes a framework for:</p> <p>(a) setting adequate and fair levels of minimum wages in order to ensure at least a decent standard of living of workers and their families;</p> <p>(b) minimum wage protection in the form of:</p> <p>i. a statutory minimum wage without discrimination, where statutory minimum wages exist,</p> <p>ii. access to collective bargaining wage setting,</p> <p>iii. universally applicable collective agreements, where universally applicable collective agreements exist;</p> <p>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 in the form of wages arising from collective agreements, or both.</p> <p>3. The application of this Directive shall be in full compliance with the freedom of association and the right to collective bargaining, as</p>	<p>1. With a view to improving working and living conditions in the Union, in particular the adequacy of minimum wages, this Directive establishes a framework for:</p> <p>(a) promoting adequate levels of statutory minimum wages;</p> <p>(aa-new) promoting collective bargaining on wage setting;</p> <p>(b) enhancing effective access of workers to minimum wage protection [...] where it exists.</p> <p>1a(new). This Directive shall be without prejudice to the competence of Member States in setting the level of minimum wages and to the full respect of the autonomy of social partners, as well as their right to negotiate and conclude collective agreements.</p>

		recognised in the Charter , the ESC and the relevant ILO Conventions. Nothing in this Directive shall be construed as imposing an obligation on the Member States where minimum wage protection is exclusively ensured via collective agreements to introduce a statutory minimum wage or to make collective agreements universally applicable. This Directive is without prejudice to the right of social partners to negotiate, monitor and set wages through collective agreements.	
Art. 2	This Directive applies to workers in the Union who have an employment contract or employment relationship as defined by law, collective agreements or practice in force in each Member State, with consideration to the case-law of the Court of Justice of the European Union.		
Art. 3	For the purposes of this Directive, the following definitions apply: (1) 'minimum wage' means the minimum remuneration that an employer is required to pay to workers for the work performed during a given period, calculated on the basis of time or output; (2) 'statutory minimum wage' means a minimum wage set by law, or other binding legal provisions; (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	(1) 'minimum wage' means the minimum remuneration that an employer, whether public or private , is required to pay to workers for the work performed during a given period, calculated on the basis of time; (2) 'statutory minimum wage' means a minimum wage set by law, or other binding legal provisions, which does not arise from collective bargaining ; (3) 'collective bargaining' means all negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more trade unions on the other, for determining working conditions and terms of employment; and/or regulating relations between employers and workers; and/or regulating relations between employers or their organisations and the trade unions ;	For the purposes of this Directive, the following definitions apply: (1) 'minimum wage' means the minimum remuneration that an employer is required to pay to workers, according to national law or collective agreements , for the work performed during a given period, calculated on the basis of time or output; (2) 'statutory minimum wage' means a minimum wage set by law, or other binding legal provisions, with the exclusion of those minimum wages set by a collective agreement made universally applicable without any discretion of the adopting authority as to the content of the applicable provisions ; (3) 'collective bargaining' means all negotiations which take place according to national laws and practices in each Member State 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

	<p>employers or their organisations and a worker organisation or worker organisations;</p> <p>(4) 'collective agreement' means all agreements in writing regarding working conditions and terms of employment concluded by the social partners as an outcome of collective bargaining;</p> <p>(5) 'collective bargaining coverage' means the share of workers at national level to whom a collective agreement applies;</p>	<p>(4) 'collective agreement' means a written agreement regarding provisions including on working conditions and terms of employment, in particular remuneration, concluded by the social partners as an outcome of collective bargaining;</p> <p>(5) 'collective bargaining coverage' means the share of workers at national level to whom a collective agreement regulating remuneration applies.</p>	<p>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, whose intended outcome is a collective agreement;</p> <p>(4) 'collective agreement' means any agreement in writing regarding working conditions and terms of employment concluded by the parties referred to in paragraph 3, including those that are made universally applicable.</p> <p>A minimum wage setting arrangement adopted in accordance with the Maritime Labour Convention and put into practice by a Member State, shall be deemed to be a collective agreement in that Member State.</p> <p>(5) 'collective bargaining coverage' means the share of workers at national level to whom a collective agreement applies, calculated as the ratio of: a) the number of workers covered by collective agreements, including those agreements that do not contain provisions on wages, to b) the number of workers whose working conditions may be regulated by collective agreements in accordance with national laws and practices.</p>
Art. 4	<p>1. With the aim to increase the collective bargaining coverage Member States shall take, in consultation with the social partners, at least the following measures:</p> <p>(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;</p>	<p>1. With the aim of ensuring the exercise of the right of collective bargaining on wage setting, the strengthening and extension of the coverage of collective bargaining as well as the access of workers to minimum wage protection in the form of wages arising from collective agreements, Member States shall take, in cooperation with the social partners, at least the following measures:</p>	<p>1. With the aim to increase the collective bargaining coverage and thereby enhance the wage setting provided by collective agreements, Member States, in consultation with the social partners and in accordance with national laws and practices, shall:</p> <p>(a) promote the building and strengthening of the capacity of the social partners to engage in collective bargaining on wage setting, including at sector or cross-industry level; and</p>

	<p>(b) encourage constructive, meaningful and informed negotiations on wages among social partners;</p> <p>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.</p>	<p><i>(ba) prohibit and take measures to prevent all acts which undermine the right of workers to join a trade union or obstruct them from doing so, or which discriminate against workers and trade union representatives who participate or wish to participate in collective bargaining on wage setting, and ensure proper access for all workers to necessary information about their rights;</i></p> <p><i>(bb) prohibit all acts aiming to undermine collective bargaining or collective agreements on wage setting;</i></p> <p><i>(bc) ensure effective protection against discriminatory acts related to collective bargaining on wage setting;</i></p> <p><i>(bd) ensure that employers, taking into account the size and capacity of the undertaking concerned, provide trade union representatives with appropriate information and facilities, in order to enable them to carry out their functions in respect of collective bargaining on wage setting promptly and efficiently;</i></p> <p><i>(be) ensure that trade unions have the right to access the workplace and the workers, including where work is carried out digitally, to meet and contact workers individually or collectively for the purpose of organising workers, negotiating wages on their behalf and representing them;</i></p> <p><i>(bf) support compliance with applicable collective agreements on wages, respect for the applicable collective agreements on wages along the sub-contracting chains, and the provision of collective agreements on wages to employers and workers concerned by them.</i></p>	<p>(b) encourage constructive, meaningful and informed negotiations on wages among social partners.</p> <p>2. In addition, Member States shall where collective bargaining coverage is below an threshold of 70% 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, <i>in consultation with social partners</i>, establish an action plan to promote collective bargaining. The action plan shall be made public and shall be notified to the European Commission.</p>
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Art. 5	<p>1. Member States with statutory minimum wages shall take the necessary measures to ensure that the setting and updating of statutory minimum wages are guided by criteria set to promote adequacy with the aim to achieve decent working and living conditions, social cohesion and upward convergence. Member States shall define those criteria in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in</p>	<p>1. Member States with statutory minimum wages that do not arise from collective bargaining shall establish the necessary measures to ensure that the setting and updating of statutory minimum wages, as a threshold of decency, contribute to preventing and combating poverty, in particular in-work poverty, promote social cohesion and reduce wage inequalities, and are guided by criteria to ensure adequacy and fairness with the aim of achieving decent working and living conditions, the eradication of the gender pay gap and upward convergence, taking</p>	<p>1. Member States with statutory minimum wages shall establish the necessary framework for setting and updating the statutory minimum wages. Such setting and updating shall be guided by criteria set to promote adequacy with the aim to achieve decent working and living conditions, social cohesion and upward convergence. Member States shall define those criteria in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements. The criteria shall be defined in a stable and clear way.</p>

<p>tripartite agreements. The criteria shall be defined in a stable and clear way.</p> <p>2. The national criteria referred to in paragraph 1 shall include at least the following elements:</p> <p>(a) the purchasing power of statutory minimum wages, taking into account the cost of living and the contribution of taxes and social benefits;</p> <p>(b) the general level of gross wages and their distribution;</p> <p>(c) the growth rate of gross wages;</p> <p>(d) labour productivity developments.</p> <p>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.</p> <p>4. Member States shall take the necessary measures to ensure the regular and timely updates of statutory minimum wages in order to preserve their adequacy.</p> <p>5. Member States shall establish consultative bodies to advise the competent authorities on issues related to statutory minimum wages.</p>	<p>into account the socio-economic situation of the labour market concerned, in accordance with the criteria set out in paragraph 2. Member States shall define those criteria, after consulting social partners, in accordance with their national practices, either in relevant national legislation, in decisions of the competent bodies or in tripartite agreements. The criteria shall be defined in a clear way. Member States shall ensure that statutory minimum wages are adequate and fair and ensure a decent standard of living.</p> <p>(ca) the poverty rate, in particular the rate of in-work poverty;</p> <p>(d) deleted;</p> <p>3. Member States shall assess and report on the adequacy of statutory minimum wages and may use indicative reference values to guide their assessment of adequacy of statutory minimum wages in relation to the general level of gross wages, such as those commonly used at international level of 60% of the gross median wage and 50% of the gross average wage.</p> <p>4a. The annual updates of statutory minimum wages referred to in paragraph 4 shall be carried out without prejudice to other income support mechanisms.</p> <p>5. Each Member State shall establish or designate a consultative body, which includes the social partners, to advise the competent authorities on issues related to statutory minimum wages. That body shall have adequate resources to carry out or commission independent research regarding the economic and social impact of changes to minimum wages.</p>	<p>2. The national criteria referred to in paragraph 1 shall include at least the following elements, whose relevance and relative weight may be decided by Member States in accordance with their prevailing national socio-economic conditions: (a) the purchasing power of statutory minimum wages, taking into account the cost of living and the contribution of taxes and social benefits; (b) the general level of wages and their distribution; (c) the growth rate of wages; (d) productivity levels and developments.</p> <p>2a.(new) In addition to the obligations set out in paragraphs 1, 2 and 4, Member States may use an automatic indexation mechanism for adjusting statutory minimum wages based on any appropriate criteria and in accordance with national laws or practices.</p> <p>3. Member States shall use commonly used indicative reference values to guide their assessment of adequacy of statutory minimum wages.</p> <p>4. Member States shall take the necessary measures to ensure the regular and timely updates of statutory minimum wages in order to continue promoting their adequacy.</p> <p>5. Member States shall ensure that consultative bodies are in place to advise the competent authorities on issues related to statutory minimum wages.</p>
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Art. 6	<p>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.</p> <p>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.</p>	Deleted	<p>Variations and deductions</p> <p>Where Member States allow for different rates of statutory minimum wage for specific groups of workers or for deductions that reduce the remuneration paid to a level below that of the relevant statutory minimum wage, they shall ensure that these variations and deductions respect the principles of non-discrimination and proportionality.</p>
Art. 7	<p>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:</p> <p>(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;</p> <p>(b) the updates of statutory minimum wage levels referred to in Article 5 (4);</p> <p>(c) the establishment of variations and deductions in statutory minimum wages referred to in Article 6;</p> <p>(d) the collection of data and the carrying out of studies for the information of statutory minimum wage setting authorities;</p>	<p>Member States shall take the necessary measures to ensure that the social partners are involved in the setting and updating, including through automatic indexation where it exists, of statutory minimum wages in a timely and effective manner which provides for their participation in the negotiations and decision-making on a regular basis throughout the process, including through participation in the consultative body referred to in Article 5(5) and in particular with regard to:</p> <p>(c) deleted</p> <p>(d) the collection of data and the carrying out of studies and analysis to provide information to authorities and to the relevant parties involved in statutory minimum wage setting;</p> <p>1 (a) Social partners shall have access to relevant information and the possibility to provide opinions and receive reasoned answers before any proposal is presented and before any decision is taken.</p>	<p>Member States shall take the necessary measures to enable the involvement of the social partners 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: (a) the selection and application of criteria referred to in Article 5 (1) and (2) for the determination of statutory minimum wage levels;</p> <p>(aa) new the establishment of an automatic indexation formula and its modification, where such a formula exists; (bb) new the selection and application of indicative reference values referred to in Article 5 (3); (b) the updates of statutory minimum wage levels referred to in Article 5 (4); (c) the establishment of variations and deductions in statutory minimum wages referred to in Article 6; (d) decisions on the data collection and the carrying out of studies for the information of statutory minimum wage setting authorities;</p>
Art. 8	Member States shall, in cooperation with social partners, take the following measures to	Member States with statutory minimum wages in cooperation with social partners, shall take at	Member States shall, in consultation or cooperation with social partners, take the following measures

	<p>enhance the access of workers to statutory minimum wage protection as appropriate:</p> <p>(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;</p> <p>(2) develop guidance for enforcement authorities to proactively target and pursue non-compliant businesses;</p> <p>(3) ensure that information on statutory minimum wages is made publicly available in a clear, comprehensive and easily accessible way.</p>	<p>least the following measures to enhance the access of workers to statutory minimum wage protection and to monitor and ensure compliance with this Directive:</p> <p>(1) improve and strengthen controls and the intensity and frequency of field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages and ensure the availability of adequate resources in that regard, so that those controls and inspections are effective, dissuasive, proportionate and non-discriminatory;</p> <p>(2) develop capacity-building, training and guidance for enforcement authorities to proactively target and pursue non-compliant employers, particularly in view of routine and unannounced visits, legal proceedings and dissuasive sanctions in the case of infringements;</p> <p>(3) ensure that information on statutory minimum wages and redress mechanisms referred to in Article 11 is made publicly available in a clear, comprehensive and easily accessible way and in formats accessible to all, in particular to persons with disabilities and non-native speakers in relevant languages, and that workers have access to guidance in the event that employers infringe the requirement to pay the statutory minimum wage;</p> <p>(3a) provide workers and employers, upon the request of both, with access to mediation or dispute settlement.</p>	<p>where appropriate, to enhance the access of workers to statutory minimum wage protection: (a) provide for appropriate controls and field inspections conducted by labour inspectorates or the bodies responsible for the enforcement of statutory minimum wages; those controls and inspections shall be proportionate and non-discriminatory; and (b) develop guidance for enforcement authorities to proactively target and pursue noncompliant employers;</p>
Art. 9	In accordance with Directive 2014/24/EU, Directive 2014/25/EU and Directive 2014/23/EU, Member States shall take appropriate measures to	In accordance with Directives 2014/24/EU, 2014/25/EU and 2014/23/EU, Member States and in particular their competent authorities, shall take appropriate measures,	Member States shall take appropriate measures, in accordance with Directive 2014/24/EU, Directive 2014/25/EU and Directive 2014/23/EU, to ensure that in the

	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.	<i>including the possibility to introduce mandatory awarding and contract performance conditions</i> , to ensure that in the performance of public procurement or concession contracts economic operators <i>and their subcontractors recognise trade unions in order to promote minimum wage protection, recognise the right of workers to organise, take part in collective bargaining, and</i> comply with the <i>remuneration and other working conditions established by law or</i> collective agreements for the relevant sector and/or geographical area and with the statutory minimum wages where they exist, <i>as well as with Union, national and international labour and social law.</i>	performance of public procurement or concession contracts economic operators, <i>and their subcontractors</i> , comply with the <i>applicable obligations</i> regarding wages <i>in the field of labour law established by Union law, national law, collective agreements or by international labour law provisions.</i>
Art. 10	<p>1. Member States shall task their competent authorities with developing effective data collection tools to monitor the coverage and adequacy of minimum wages.</p> <p>2. Member States shall report the following data to the Commission on an annual basis, before 1 October of each year:</p> <p>(a) for statutory minimum wages:</p> <p>(i) the level of the statutory minimum wage and the share of workers covered by it;</p> <p>(ii) the existing variations and the share of workers covered by them;</p> <p>(iii) the existing deductions;</p> <p>(iv) the rate of collective bargaining coverage.</p> <p>(b) for minimum wage protection provided only by collective agreements:</p> <p>(i) the distribution in deciles of such wages weighted by the share of covered workers;</p> <p>(ii) the rate of collective bargaining coverage;</p> <p>(iii) the level of wages for workers not having minimum wage protection provided by collective agreements and its relation to the</p>	<p>1. Member States shall task their competent authorities with <i>the development of</i> effective data collection tools, to monitor the coverage of minimum wages <i>as well as the coverage of collective bargaining on remuneration and the adequacy and fairness of statutory minimum wages. Employers, in particular SMEs and microenterprises, shall not bear an unnecessary administrative burden with regard to the implementation of this paragraph. The competent authorities shall involve social partners during the course of the development of those data collection tools.</i></p> <p>2. (a) (ii) the existing variations, the share of workers covered by them <i>and the justifications provided;</i></p> <p>(iii) the existing deductions <i>and the justifications provided;</i></p> <p>(iv) the rate <i>and development</i> of collective bargaining coverage <i>with regard to remuneration;</i></p> <p>2. (ba) <i>for national action plans:</i></p> <p>(i) <i>the progress and effectiveness of the measures and initiatives taken with a view to promoting collective bargaining and increasing the rate of collective bargaining coverage in accordance with Article 4(2);</i></p> <p>(ii) <i>the impact of public procurement policy on increasing the rate of collective bargaining;</i></p>	<p>1. <i>Member States shall monitor the coverage and adequacy of minimum wages.</i> 2. Member States shall report the following data and information to the Commission <i>every second year</i>, before 1 October of the reporting year: <i>(a0) new. the rate of collective bargaining coverage;</i> (a) for statutory minimum wages: (i) the level of the statutory minimum wages and the share of workers covered by it; (ii) a description of existing variations and deductions;</p> <p>(b) for minimum wage protection provided only by collective agreements: (i) <i>the lowest pay rates set by collective agreements covering low-wage earners or an estimation thereof and the share of workers covered by them or an estimation thereof;</i> (iii) the level of wages paid to workers not covered [...] by collective agreements and its relation to the level of wages paid to workers covered by collective agreements. <i>Member states are not obliged to report the data referred to in Article 10(2)(b)(i) for firm level collective agreements.</i> Member States shall provide the statistics and information referred to in this paragraph disaggregated by sex, age, disability, company size and sector as far as available. The first report shall cover years [X, Y, Z: the three years preceding the transposition year] and shall be delivered by [1 st of October YY: year after transposition]. The Member States may omit statistics and information which are not available before [date of</p>

	<p>level of wages of workers having such minimum protection.</p> <p>Member States shall provide the statistics and information referred to in this paragraph disaggregated by gender, age, disability, company size and sector.</p> <p>The first report shall cover years [X, Y, Z: <i>the three years preceding the transposition year</i>] and shall be delivered by [1st of October YY: <i>year after transposition</i>]. The Member States may omit statistics and information which are not available before [date of transposition].</p> <p>The Commission may request Member States to provide further information on a case by case basis where it considers such information necessary for monitoring the effective implementation of this Directive.</p> <p>3. Member States shall ensure that information regarding minimum wage protection, including collective agreements and wage provisions therein, is transparent and publicly accessible.</p> <p>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.</p> <p>5. On the basis of the report issued by the Commission, the Employment Committee set up in accordance with Article 150 TFEU shall carry out every year an examination of the promotion of collective bargaining on wage setting and of the adequacy of minimum wages in the Member States.</p>	<p>3. Member States shall ensure that information regarding <i>statutory</i> minimum wage protection, including <i>universally applicable</i> collective agreements and wage provisions therein, is transparent and publicly accessible, <i>including to persons with disabilities</i>.</p> <p><i>Member States may, after consulting social partners and in accordance with national law and practice, maintain or introduce further transparency requirements.</i></p> <p>4. The Commission shall assess the data transmitted by the Member States in the reports referred to in paragraph 2, and shall <i>submit a</i> report to the European Parliament and to the Council <i>in November each year. The Commission shall, simultaneously, publish the data referred to in paragraph 2.</i></p> <p>5. <i>The</i> Employment Committee <i>referred to</i> in Article 150 TFEU shall carry out an <i>annual</i> examination of <i>the Commission reports referred to in paragraph 4 in order to assess the extent of and the respect for the right to collective bargaining</i>, the promotion of collective bargaining on wage setting, <i>the rate of increase in collective bargaining coverage regulating remuneration</i>, and <i>the adequacy and fairness</i> of <i>statutory</i> minimum wages in the Member States, <i>in accordance with this Directive. The Employment Committee shall, while carrying out the examination, ensure the participation of Union cross-sectoral social partners representatives, ensuring six participants from each side of industry.</i></p>	<p>transposition]. 4. The Commission shall analyse the data and information transmitted by the Member States in the reports referred to in paragraph 2, and shall report thereof every second year to the European Parliament and to the Council.</p> <p><i>10a(new) Information on minimum wage protection</i> <i>Member States shall ensure that information regarding minimum wage protection is publicly available in a comprehensive and easily accessible way. This does not apply to firm-level collective agreements.</i></p>
Art. 11	<p>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</p>	<p>1. Member States <i>with statutory minimum wages</i> shall ensure that workers, including those whose employment relationship has ended, <i>and representatives acting on their behalf</i>, have access to effective, <i>timely</i> and</p>	<p>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,</p>

	<p>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.</p> <p>2. Member States shall take the measures necessary to protect workers, including those who are workers' representatives, from any adverse treatment by the employer and from any adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing compliance with the rights relating to statutory minimum wages or minimum wage protection provided by collective agreements.</p>	<p>impartial dispute resolution and a right to redress, including adequate compensation and the recovery of remuneration due, in the case of infringements of their rights, including the right to organise in order to take collective action and bargain collectively on remuneration, as well as their rights relating to statutory minimum wages or minimum wage protection provided by universally applicable collective agreements, without prejudice to specific forms of compensation, redress and dispute resolution provided for in those collective agreements.</p> <p>2. Member States shall take the measures necessary to protect workers, including workers' representatives or the members and representatives of trade unions, from any adverse treatment by the employer or by related third parties engaging in adverse treatment and from any adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing their rights to organise, in order to take part in collective action and negotiate their remuneration collectively, as well as compliance with national law and collective agreements within in the scope of this Directive.</p>	<p>have access to effective and impartial dispute resolution and a right to redress in case rights relating to statutory minimum wages or minimum wage protection are provided for in national law or in collective agreements and have been infringed. 2. Member States shall take the measures necessary to protect workers, including those who are workers' representatives, from any adverse treatment by the employer and from any adverse consequences resulting from a complaint lodged with the employer or resulting from any proceedings initiated with the aim of enforcing compliance in case rights relating to minimum wage protection are provided for in national law or collective agreements and have been infringed.</p>
Art. 12	<p>Member States shall lay down the rules on penalties applicable to infringements of national provisions. The penalties provided for shall be effective, proportionate and dissuasive.</p>	<p>Member States shall, without prejudice to specific forms of contractual penalties provided for, where applicable, in rules on the enforcement of collective agreements, lay down the rules on penalties applicable to infringements of national measures transposing this Directive, or of relevant provisions already in force or collective agreements concerning the rights which are within the scope of this Directive. The penalties provided for shall be effective, proportionate and dissuasive.</p>	<p>Member States shall lay down the rules on penalties applicable to infringements of rights and obligations relating to minimum wages, to the extent that these rights and obligations are provided for in national law or in collective agreements. The penalties provided for shall be effective, proportionate and dissuasive.</p>
Art. 13	<p>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.</p>	<p>Member States shall ensure the timely consultation and effective involvement of social partners with regard to the development and implementation of national measures transposing this Directive and may entrust the social partners with the implementation of this Directive, where the social partners jointly request to do</p>	<p>Member States may entrust the social partners with the implementation of this Directive, in all or in part, including the establishment of the action plan according to article 4 (2), where the social partners jointly request to do so. In so doing, the Member States shall take all</p>

		so. In so doing, the Member States shall take all necessary steps to ensure that the <i>obligations laid down in this Directive</i> are <i>complied</i> with at all times.	necessary steps to ensure that the obligations set by this Directive are complied with at all times.
Art. 14	Member States shall ensure that the national measures transposing this Directive, together with the relevant provisions already in force relating to the subject matter as set out in Article 1, are brought to the attention of workers and employers, including SMEs.	... as well as the general public.	Member States shall ensure that the national measures transposing this Directive, together with the relevant provisions already in force relating to the subject matter as set out in Article 1, are brought to the attention of workers and employers, including SMEs.
Art. 15	The Commission shall conduct an evaluation of the Directive by [five years after the date of transposition]. The Commission shall submit thereafter a report to the European Parliament and the Council reviewing the implementation of the Directive and propose, where appropriate, legislative amendments.	The Commission shall conduct an evaluation of this Directive by [five years after the date of transposition]. The Commission shall, <i>after consulting the Member States and the social partners at Union level</i> , submit thereafter a report to the European Parliament and the Council reviewing the implementation of the Directive and propose, where appropriate, legislative amendments.	The Commission shall conduct an evaluation of this Directive by [five years after the date of transposition]. The Commission shall submit thereafter a report to the European Parliament and the Council reviewing the implementation of this Directive and propose, where appropriate, legislative amendments.
Art. 16	1. This Directive shall not constitute valid grounds for reducing the general level of protection already afforded to workers within Member States. 2. This Directive shall not affect Member States' prerogative to apply or to introduce laws, regulations or administrative provisions which are more favourable to workers or to encourage or permit the application of collective agreements which are more favourable to workers. 3. This Directive is without prejudice to any other rights conferred on workers by other legal acts of the Union.	1. This Directive shall not constitute valid grounds for reducing the general level of protection already afforded to workers within Member States, <i>in particular with regard to the lowering or abolition of minimum wages and shall not be construed as preventing Member States from increasing statutory minimum wages.</i> 3a. This Directive shall not affect the right of social partners to negotiate and conclude collective agreements. Nothing in this Directive shall be interpreted as restricting or adversely affecting the rights of both workers and trade unions as recognised by Union or international law or by international agreements to which the Union or the Member States are party.	1. This Directive shall not constitute valid grounds for reducing the general level of protection already provided to workers within Member States. 2. This Directive shall not affect Member States' prerogative to apply or to introduce laws, regulations or administrative provisions which are more favourable to workers or to encourage or permit the application of collective agreements which are more favourable to workers. 3. This Directive is without prejudice to any rights conferred on workers by other legal acts of the Union.
Art. 17	1. Member States shall adopt the measures necessary to comply with this Directive by [two years from the date of entry into force]. They shall immediately inform the Commission thereof.	2. Member States shall communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive. They shall also communicate the manner in which the social partners have been	1. Member States shall adopt the measures necessary to comply with this Directive by [two years from the date of entry into force]. They shall immediately inform the Commission thereof. When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such reference

	When Member States adopt those measures, they shall contain a reference to this Directive or be accompanied by such reference on the occasion of their official publication. Member States shall determine how such reference is to be made. 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.	<i>involved in the development and implementation of those measures.</i>	on the occasion of their official publication. The methods of making such reference shall be laid down by Member States. 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.
Art. 18	This Directive shall enter into force on the twentieth day following its publication in the <i>Official Journal of the European Union</i> .	Same	Same
Art. 19	This Directive is addressed to the Member States.	Same	Same

Source: European Commission 2020; European Parliament 2021; Council 2021.