



EU Employment Practice Group

May 2010

EU Developments

Employment Commissioner presents 2010 Work Programme

On 27 April, the European Commissioner for Employment and Social Affairs, László Andor presented his 2010 Work Programme to the European Parliament's Employment and Social Affairs Committee (EMPL).

Amongst the objectives, the Commissioner promised that a communication on youth employment, outlining strategic measures to boost opportunities for young people, as well as encouraging apprenticeships and training, would be published at the end of 2010.

On the sensitive matter of the revision of the Working Time Directive, the Commissioner promised to come forward with a proposal by the end of the year.

In the context of the ageing population, the Commission will present, in the coming weeks, a Green Paper on the future of pensions. This Green Paper aims to stimulate analysis of the responsibility of Member States and the Union in this area and will be used to consult stakeholders.

An annex to the Work Programme presents other initiatives including a revision of the European Social Fund and the European Adjustment Fund.

Andor also pledged to present a legislative proposal on the implementation of the Posted Workers Directive in 2011. The proposal will clarify the legal obligations of national authorities, companies and workers concerning implementation.

Link to [Work Programme](#)

New regulations on social security enter into force

On 1 May, new regulations on the coordination of social security entered into force in the EU. The aim of the new regulations is to make life easier for Europeans on the move. The new regulation does not create any new entitlements to social security but guarantees that rights in the area of sickness insurance, pensions, unemployment and family benefits are preserved in the event of moving within Europe. The main changes are: simpler and more efficient procedures, faster access to benefits and more people eligible to benefit. Those persons most affected are mobile workers and jobseekers.

Link to [Press release](#)

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This newsletter briefly describes EU employment developments. Due to the general nature of its content, this newsletter is not and should be regarded as legal advice.

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Equal Treatment

Assisting spouses: MEPs adopt more moderate position at second reading

On 18 May, the proposal for a directive on the application of the principle of equal treatment between men and women engaged in a self-employed activity was voted on for a second time. MEPs this time adopted a more moderate position during the plenary session, integrating some of the Council's wishes i.e. allowing Member States to be responsible for organising the social protection of spouses and life partners of self-employed workers, and deciding whether this protection should be implemented on a mandatory or voluntary basis. At the close of the vote, MEPs nevertheless demanded that maternity benefits be identical to the duration of maternity in force for employees at EU level. Since this could be amended, they also asked the Commission to draw up, if necessary, a report evaluating whether it would be appropriate to do the same for the duration of the allowance. The Council must now give its approval.

Link to [Lulling report](#) and [Social Partners reaction](#)

Health & Safety at work

OSHA launches campaign for healthy workplaces

On 28 April, the European Agency for Safety and Health at Work (EU-OSHA) launched its 2010-2011 Healthy Workplaces Campaign. It is estimated that 5,600 people a year are victims of occupational accidents or illnesses in Europe and that 10-15% can be attributed to maintenance operations. The 2010-2011 campaign, coordinated by the EU agency and its partners in the 27 Member States, delivers two messages: firstly, it stresses the importance of maintenance to eliminate dangers at the workplace and secondly it promotes awareness of risks related to maintenance activities. The campaign will include a European Week for Health and Safety at Work on 25-26 October 2010 and a European award for best maintenance practices in April 2011.

Link to [Commission Communication](#) and [EU-OSHA Campaign website](#)

Jobs in the economic crisis

Concerns over the social implications of austerity plans

In light of the increasing number of Member States putting in place austerity packages, the European Trade Union Confederation (ETUC) has urged the European Commission President, José Manuel Barroso, to convene an emergency Tripartite Social Summit. Comparing the current crisis to the one that led to the Great Depression, ETUC Secretary General, John Monks, said *"The EU conditions are harsh and deflationary and will cause rises in unemployment and social tension. We need a more sensitive, less rigid*

approach from our European leaders to reconcile growth and debt repayment if Europe is to avoid a double dip recession". He also criticised the poor consultation of the social partners by the European authorities in their approach to exit the crisis.

On 6 May, the Greek Parliament was the first Member State to adopt an austerity plan in an effort to bring the country out of recession. Concerns about the social implications of these measures have been flooding in from all sides. Again, John Monks of the ETUC has been particularly vocal, criticising the fact that neither the European Commissioner, László Andor, nor the International Labour Office (ILO), were involved in developing the aid plan. The European Commission made it clear that Greece will receive financial aid from the EU through the social funds. For 2010-2013 Greece will receive a total of €4.364 billion from the European Social Fund. A large part of this should support interventions that can help mitigate the social effects and their impact on employment of the crisis.

Other countries to announce austerity packages are Spain, Portugal and Romania, while France and the UK have committed to reduce state expenditure.

Meanwhile, on 6 May, the European Commission gave the green light to Spain and Ireland for assistance from the EU Global Adjustment Fund (EDF). The Spanish application (€8.5 million) relates to 2.157 redundancies in building ceramics and builder's carpentry and joinery, two sectors most affected by the current crisis as a direct consequence of the slowdown in the construction industry in Spain. The Irish application (€2.5 million) relates to 598 redundancies in the glass manufacturing industry.

Link to [ETUC Letter](#), [ESF Spanish Application](#) and [Irish Application](#)

National Developments

Italy

Clarification of maternity rights under social security rules

Recently, the Italian social security service (INPS) clarified the rules on maternity benefits via Circular 62. Mothers will be entitled to state payments during statutory maternity leave if they pay three months' general social security contributions in the year preceding the expected date of birth or adoption. They must also contribute at least three months' payments to a separate maternity fund in the 18 to 9 months prior to the birth or adoption. Further INPS guidance includes:

- In the case of a premature birth, the mandatory leave not taken prior to the birth may be added to leave following the birth, and taken within 7 months of the birth.

- Welfare benefits are not payable to mothers who use their parental leave to undertake a new job, and they may be required to repay any benefits and social security received.
- Medical certification submitted to the employer for maternity allowance should be from a specialist physician working for the national health service. But employers may accept, or seek formal INPS approval for, documents from other medical professionals.
- An illness related to a pregnancy of up to 180 days duration (including abortions) may be authorised through simple certification by a general medical practitioner.

Link to [Circular 62](#) (in Italian)

Germany

Minimum wage for temporary workers

German employers are being pressed by trade unions to conclude a collective agreement establishing minimum wage rates for temporary workers. The proposed hourly minimum wage is €7.60 in the west German states and €6.65 in east German states, rising to €8.19 and €7.50 respectively from November 2012.

Link to [Press release](#) (in German)

Finland

Streamlining labour market for foreign workers

A Bill before the Finnish parliament is seeking to improve the system for issuing residence permits to foreign workers. In future, approvals will be the exclusive responsibility of the immigration service and labour inspectors will no longer be called upon to state if employee terms and conditions are adequate or whether there is already available labour to fill the vacancies for which the foreign worker is being recruited.

Link to [Press release](#)

Sweden

Deadlock in negotiations in paper and electrical industries

Lengthy negotiations between social partners in the paper and electrical industries have reached a deadlock after trade union representatives dismissed a bid to implement the norm-setting agreement signed by other industries. The trade unions argue that the agreement will reduce workers' real wages and have therefore launched several industrial actions to put increasing pressure on the employers' side.

Link to [Press release](#) (in Swedish)

UK

Record numbers unable to find full-time work

A recent analysis by the Institute for Public Policy Research (IPPR) has revealed that the number of people in the UK working part time because they cannot find full-time employment has reached over 1 million – the highest number on record and a 45% increase since the recession began. As full-time work has dropped by 4% over the last two years there has also been a substantial increase in the number of temporary workers unable to find permanent jobs – an increase of 40% since the recession began. Based on the experience of the last recession, rates of people involuntarily in part-time and temporary work could remain at the current high levels for the next five years before falling again.

Link to [IPPR Press release](#)

Businesses make good progress to support whistleblowers

According to the latest International Business Report survey conducted by Grant Thornton, half of UK businesses (54%) now have measures in place to enable whistle-blowers to report suspect activity, compared to 2009 when only 40% of business had whistle-blowing hotlines. The survey canvassed 500 privately held businesses in the UK to garner their opinions on what fraud prevention practises are in place in their company. Moreover, the survey also revealed that 49% of these companies employ specialists to detect fraud, again an increase compared to 2009 when the figure was only 37%. Although this is a relatively low figure, particularly considering that the Bribery Act has now passed into legislation, it shows that positive action is being taken to implement procedures to help firms mitigate fraud risk.

Link to [Press release](#) and [Bribery Act](#)

Slovakia

Companies checked for gender wage discrimination

In 2009, Slovakia's National Labour Inspectorate started checking companies for compliance with gender equality principles regarding pay for the same work and work of equal value. A report from the labour inspectorate provides information about the results of the checks, which have been carried out in 22 enterprises in all regions of the country. Breaches of gender equality principles do not appear to be widespread in Slovakia but data on the issue is not always available.

Link to [Labour Inspectorate](#)

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