

# European Commission Proposal for a Directive On adequate minimum wages in the EU

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## Context:

In recent decades, low wages have not kept up with other wages in many Member States. Minimum wages are also often too low vis-à-vis international indicators for decent living. Collective bargaining tends to reduce the share of low-wage workers. In Addition, specific groups of workers (incl. persons with disabilities) are excluded from the protection of national statutory minimum wages. This is not in line with European Pillar of Social Rights.

The [European Commission have proposed a Directive](#) to establish minimum requirements at Union level (1) to ensure both that minimum wages are set at adequate level and (2) that workers have access to minimum wage protection, in the form of a statutory minimum wage or in the form of wages set under collective agreements.

## Key Parts to the Proposal:

- (8) Women, young and low-skilled workers and persons with disabilities have a higher probability of being minimum wage or low wage earners than other groups
- (12) not all workers in the Union are protected by minimum wages. In some Member States some workers, even though they are covered, receive in practice a remuneration below the statutory minimum wage due to the non-respect of existing rules. (...) such non compliance has been found to affect notably women, young workers, people with disabilities (...)
- (17) This Directive should apply to workers who have an employment contract or employment relationship as defined by the law, collective agreements or practice in force in each Member State, with consideration to the criteria established by the Court of Justice of the EU for determining the status of a worker. (...)
- (22) To promote adequate of min. wages for all groups of workers, variations and deductions from statutory min. wages should be limited to a minimum. (...)
- Article 4 – Promotion of collective bargaining on wage setting
- Article 5 – Adequacy
- Article 6 – Variations and deductions
  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

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.
- Article 9 – Public Procurement  
(...) Member States shall take appropriate measures to ensure that in the performance of public procurement or concession contracts economic operators comply with the wages set out by collective agreements for the relevant sector and geographical area and with the statutory minimum wages where they exist.

### Key Questions for EASPD:

- Many disability services staff are on minimum or low wages, especially in some countries.
  - Thus any change to min. or low wages will affect Disability Services and the workers involved. To which extent
    - are increases to minimum or low wages needed in the sector? Is it by definition positive?
    - will such changes be covered by additional investment by public authorities? Are there any downsides?
- Many persons with disabilities receive minimum wages. In some countries, persons with disabilities with employment contracts receive less than minimum wages (example. 75% of min. wages). In some countries persons with disabilities receive forms of compensation for work or training done in sheltered workshops and/or day care centres which are below minimum wages and are sometimes alongside other forms of income (such as disability benefits).
  - Thus any change to min. or low wages may affect the salaries and compensation received by persons with disabilities in their employment or work place.
    - What should EASPD's position be on this topic? What are the pros of such a directive? What amendments should we make? What are the possible cons of such a directive? Should EASPD engage with the legislative process?

For more information, please contact Thomas Bignal, Policy Manager EASPD.