

Position on the Review of the Mandate of the European Labour Authority

Adopted at the Executive Committee Meeting of 6-7 December 2023

The establishment of the European Labour Authority (ELA) in 2019 marked an important step towards the long-standing ETUC demand for a 'Sociopol' for **fair labour mobility and effective enforcement** of workers' rights in Europe. In line with the review clause in its founding Regulation 2019/1149, it is high time to assess whether ELA has delivered in terms of its **objectives and tasks**, and whether to modify its **mandate and scope**.

ELA has a strong potential to enhance the EU's social dimension by improving cross-border enforcement and cooperation with the Commission, Member State authorities and social partners. Mobile and migrant workers are essential to the functioning of the internal market, but experiences such as the COVID crisis as well as complex labour market schemes involving undeclared work, abusive subcontracting, intermediaries and letterbox companies show that these workers are often the most vulnerable and the least protected. The high ratio of violations detected during ELA's first 100 cross-border inspections clearly demonstrates the added value of the Authority, but also the need for more and stronger actions to make ELA a recognised and effective enforcer in the European labour market.

To build common understanding, transparency and trust, ELA must ensure structural, systematic, and timely **involvement of social partners** at European, national and sectoral level in its priorities as well as operational activities. Joining forces with recognised representative trade unions, **from development and design to execution and evaluation**, is key in making sure ELA brings tangible results for workers on the ground. Trade unions at national and local level must have opportunities to interact with ELA, and the Authority should stimulate closer cooperation between social partners and Member State authorities. To this end, the ELA National Liaison Officers should also actively engage with their national social partners, mapping their needs and ensuring ELA acquires a better understanding of national industrial relations systems. **Stronger tripartism** calls for more strategic relevance of the ELA Stakeholder Group, and each side of industry should be able to appoint their own liaison officer to the Authority through dedicated EU funding. To boost ELA's agility in industries with a high share of mobile workers, **sectoral focal-points** should be integrated into ELA's structure, combining expertise from all operational teams and the relevant social partners.

The increasing intertwinement of EU rules on labour mobility and labour migration calls for an **extension of ELA's scope** to include in particular the Seasonal Workers Directive 2014/36, the Employers Sanctions Directive 2009/52 and the Anti-Trafficking Directive 2011/36. Stronger efforts to tackle work-life crime requires closer cooperation with other EU agencies such as EU-OSHA, EUROPOL, EUROJUST and EPPO (in cases involving EU funds). By tackling irregularities, ELA can also contribute to the implementation of EU instruments on corporate sustainability due diligence and forced labour in supply chains.

To fully deliver on its mission, **ELA needs a stronger mandate**. Economic freedoms and corporate cross-border arrangements must not be used to circumvent or undermine labour rights. Therefore, ELA must have the **authority to request information**, **investigate cases and initiate joint and concerted inspections** with the involvement of Member States and social partners, respecting national trade union roles and prerogatives. To boost capacity and to bridge the gaps between the variety of enforcement actors at national level, including trade unions, Member States should put in place ELA coordination structures, equipping inspectors with the necessary tools and resources they need to be able to fully engage in cross-border operations, act more swiftly, and cooperate with trade unions. This should be complemented by cross-border rights for labour inspectors collaborating with ELA, and an EU Enforcement Directive with minimum standards on labour inspection in line with ILO Conventions, including protection for workers through firewalls and safe complaint mechanisms.

EUROPEÆN



ELA should help **empower trade unions** to secure the rights of workers in cross-border situations. The possibility for social partners to submit cases should be strengthened as an effective and accessible channel for requesting an inspection, rather than as a measure of last resort with a complicated process without guarantees for action. **Social partner cases** should be effectively investigated, involving the applicants, briefing them on the progress and outcomes, or provide justified explanations in the event of rejection.

Analyses and risk assessments need to be underpinned by a **stronger data processing mandate** for ELA, translating into more strategic priorities and operational activities in full respect of personal data protection and fundamental rights. Improved quality, comparability and collection of data on labour mobility trends, violations and enforcement requires closer cooperation between European and national authorities. Rather than through outsourcing to private consultancies, ELA's analytical work should be done in-house to ensure quality and expertise. Enhanced data exchange and cross-referencing for operational intelligence also necessitates direct access for ELA to IMI, EESSI, ERRU and tachograph systems to retrieve and request information from European and national registers to better target inspections in high-risk sectors and effectively investigate fraud.

ELA should establish itself as an information hub for collecting and retrieving data under a **European register of companies** operating across borders, including with a possibility to blacklist non-compliant businesses and hold owners accountable. Also trade unions should be able to fetch data to effectively identify and tackle fraudulent companies in the internal market, verifying whether an employer has paid taxes, social security contributions and wages in accordance with collective agreements, as well as any track-record of previous violations or concerns expressed by national authorities and trade unions. By promoting digital solutions for improved cross-border cooperation, ELA should also help to make sure initiatives such as the ESSPASS, eDeclaration on Posting, and social ID cards reach their full potential as **digital enforcement tools**.

ELA's mandate needs to be strengthened also when it comes to **following-up on inspections and sanctioning**. This requires post-inspections, evaluation of enforcement data, investigations into poor application of EU law, as well as effective procedures to impose and collect fines, recover unpaid social security contributions and execute judgments. In the same vein, ELA should provide support to trade unions in pursuing cross-border cases on behalf of workers to recover unpaid wages from employers and national insolvency schemes, tackling breaches of employment rights and tactical bankruptcies. ELA research and operational findings should contribute to more evidence-based policy-making, helping the Commission identify loopholes in the EU legal framework as well as non-compliance in the protection of labour rights by national administrations. In addition, the ELA **mediation procedure** should be improved in terms of legal clarity on what kind of cases can be subject to mediation. The process and outcomes of mediated cases need to be transparent, making sure that also social partners are adequately involved where relevant and fully respecting their autonomy.

As a central hub on labour mobility, ELA should continue to improve the quality and accessibility of multi-lingual information for workers and trade unions, including different sectoral, mobility and migration profiles (e.g. posted, seasonal, frontier, transport, expatriated, digital, self-employed or pluri-active workers). The information must be accurate and user-friendly, tailored to the needs of workers, trade unions and enforcers, not simply replicating Commission guidelines. Guidance on sources and services available at EU and national level, how to join a trade union, claim one's rights and report abuses is key. To ensure equal treatment of all workers, the application and enforcement of collective agreements is equally important and requires trade union involvement. EURES should be revamped to concretely contribute to ELA's fair mobility mission beyond mere job placements, by ensuring fair recruitment practices, promotion of direct employment, quality verification of job offers, suspension of fraudulent employers, follow-up support to workers exercising their freedom of movement, encountering problems or wishing to undertake return mobility. ELA should also stimulate the expansion of trade union advisory and counselling services for mobile and migrant workers through cooperation support, exchanges of good practices and capacity-building. As an important complement to ELA,



permanent EU funding should be made available to such national and trans-national trade union support structures.