

Flash: Meeting Cabinet Expert Ana Carla Pereira with SMEunited**20 January**

COM (Ana Carla Pereira) met with SMEunited on their request.

SMEunited raised key topics for small and medium-sized enterprises related to the Commission work programme. COM, based on the annex to the communication “A strong social Europe for just transitions” explained the responsibilities within the Commission and planned timing related to the listed initiatives. It was stressed that COM will hear and exchange with social partners on the most important initiatives (a first dedicated hearing with social partners took place on “Updating the skills agenda” on 17 Jan, a second one on the Youth Guarantee will be on 20 Feb, a third one on pay transparency measures is planned).

SMEunited asked for a regular exchange in that format which the COM agreed to.

Notably the following key items were raised:

1. Minimum wage initiative

SMEunited:

- Social partners will not start negotiating
- Concern with legal base, pay issues are not in EU remit
- SMEs will not agree to any thresholds (such as 60% of median wage)
- Dismisses EP proposal of 750 €, important that wages are sufficiently high for domestic demand
- Inquired about what “binding” would mean
- Important that social partners are on board, key necessity that there is a strong mechanism to involve them
- SMEs are pragmatic, the costs must be affordable to create jobs, if the initiative goes against employment it would be counterproductive
- Regrets that the Social Dialogue Committee on 5 Feb coincides with a high level event on minimum wage at the EP with the Commissioner and ETUC

COM:

- Stresses that the President had announced a “legal instrument”, which form is not yet decided, currently all options are on the table
- Whatever avenue is chosen, COM wants to promote collective bargaining and to make sure social partners have a seat at the table
- COM aware of sensitiveness of the topic and the need to ensure equilibrium
- It is not the intention to come up with a figure or a percentage/share which would by itself represent a figure
- However, when it comes to the legal base the topic is related to working conditions, also the Court has given some indications in that regard
- It does not prevent having a framework under which MS are invited to consider their minimum wage and ensure social partners are involved in the process
- The COM will develop and present more details in the second stage social partner consultation

2. Gender Equality Strategy

SMEunited:

- Concerned by binding wage transparency measures; these would be a huge burden for small enterprises
- SMEunited agrees on importance of increasing womens' labour market participation – this also links to skills which is huge topic for SMEs and had been discussed with the COM at the dedicated hearing on 17 Jan (cf above)
- However, COM should take into account the reality of SMEs
- SMEs request to be excepted following the model of several MS that apply national wage transparency rules (eg FR 50 employees, SE, FI)
- Transparency of wages will not make the gender pay gap disappear
- The roots lie in the access to labour market and therefore other measures are more effective such as childcare; welcome an potential action that would increase the Barcelona targets
- Social partners hope to be involved in implementation of the work life balance directive
- Inquired about the format of social partners consultation and timing

COM:

- Agrees that the context of gender pay gap is broader and going beyond wage transparency, however action in this field helps increasing visibility and clarity
- The provision of elderly care is a growing concern that needs to be taken into account besides childcare
- It is important that employment policy strongly features in the gender equality strategy
- SMEunited is invited to present the referenced examples of exceptions at national level at the dedicated hearing planned
- Responding to SMEunited question, the Gender Equality Strategy might also be issued earlier than 4 March, a consultation at that point is expected to be launched on the gender pay transparency, COM will get back with details on the format of the consultation

3. Platform work summit

COM:

- Format is not yet decided, but this is not expected to be a “business-as-usual” conference; COM will draw conclusions on possible future action
- Responding to SMEunited question on collective bargaining for self-employed, stresses that aspects and interlinkages with competition law need to be addressed and discussed
- Timing end September (tbc)
- In that context, also the ILO conference 5 and 6 March on enhancing social partners role in the new forms of work was mentioned

4. Action Plan to implement the European Pillar of Social Rights

COM:

- Social partners will be invited to a dedicated hearing before summer, a strategic seminar second half 2020 and to provide a written contribution by Nov 2020
- COM will inquire on a) what can social partners bring to the table? b) what else besides what is covered by the 20 pillar principles can be addressed at EU level? c) how can pillar principle 8 be improved?

- The results of the strategic discussion for the second half 2020 would then feed into the action plan for 2021

