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AN ACTION PLAN FOR FREE MOVEMENT OF WORKERS
COMMUNICATION FROM THE COMMISSION

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Executive Summary

This Communication presents an Action Plan for the reinforcement of free movement of workers which builds, inter alia, on the final report of the High Level Panel on free movement of persons. The High Level Panel concluded that although most of the legal measures required to make a reality of the right to free movement were already in place, some flaws and lacunae still existed in the legal framework.

The right to free movement of workers, set out in Article 48 of the Treaty of Rome, includes the right for any European citizen to enter the territory of any Member State in order to work or to look for work. A wide area of mobility represents a large number of opportunities for workers to find a job and for employers to find people with adequate skills, thereby enhancing employment and economic growth.

However, as noted by the High Level Panel, free movement of workers is still hampered by a range of practical problems and obstacles. The way in which rules and regulations are applied raises a number of difficulties. Moreover, there is a lack of administrative flexibility towards the special situation of migrants and the level of co-operation between Member States is sometimes insufficient. There is a lack of knowledge and information about the rights of and opportunities for workers moving from one Member State to another.

The Heads of State and Government agreed at the European Council in Amsterdam to make employment policy a matter of common concern. They also agreed to an Action Plan for the full implementation of the Single Market. This Communication with an Action Plan for free movement of workers builds on the Amsterdam agreements and sets out the Commission's strategy to overcome the remaining practical problems which face workers moving within the European Union. It also builds on the Commission proposal for guidelines for Member States Employment Policies for 1998. The Commission has chosen a comprehensive five-fold approach which places free movement of workers within the overall economic, social and political process of European integration.

1. Improve and adapt the rules.

The basic legal framework to enable free movement of workers has been in place since 1968. It now needs to be improved and adapted. In 1989 and 1990 the Commission presented proposals aimed at improving the rules on free movement of workers but these were not adopted by the Council. In 1997, the Final Report of the High Level Panel on free movement of persons confirmed the existence of a number of flaws and lacunae in the legal mechanisms for free movement of workers and called for the reinforcement of the rules. In addition, the rules need to be adapted to take account of the extensive case law developed by the European Court of Justice in this area. The Commission will present updated proposals for the amendment of the main legal texts concerning free movement of workers building on the conclusions of the High Level Panel and on its earlier proposals.

2. Make the labour market more transparent.

EU citizens need to be well informed about the potential of the European labour market in terms of employment possibilities, enhancement of qualifications and development of a European career. Employers need information about the availability of a multicultural, multilingual labour force which can represent an important competitive advantage both in Europe and world-wide. Special attention will be given to information and transparency in frontier regions in order to cover specific issues which are of interest to cross border workers, such as social security and tax law. The Public Employment Services (PES) have to be strengthened and the national systems must be accessible for people wherever they live. The Commission will support initiatives in this direction.

3. Strengthen responsibility and co-operation.

The Commission will encourage the creation by Member States of administrative structures aimed at assisting migrant workers and at facilitating the solution of problems and conflicts. Furthermore, specific areas for co-operation will be explored such as co-operation to facilitate access to employment in the public sector or co-operation between Employment Services. The Commission will also develop co-operation with the Social Partners and improve the institutional framework by merging the existing two Advisory Committees in this area (one on free movement for workers and one on social security for migrant workers)

4. Improve knowledge and visibility of the right to free movement.

The Commission will enhance the input on labour mobility within existing information activities and will envisage actions to inform citizens, legal practitioners and national authorities about the scope of free movement and the benefits and advantages of the emergence of a European labour market, such as organising seminars and publishing a newsletter.

5. Develop innovative projects.

Within Article 6 of the European Social Fund (ESF) Regulation, the ESF will finance projects supporting free movement of workers. The details for such initiative will be set out in a call for projects which will be published during early 1998.

The Action Plan seeks to involve all concerned - citizens, national, regional and local authorities and social partners - in the reinforcement of the mechanisms for free movement of workers, taking into account the fact that specific initiatives will be taken with regard to other susceptible groups such as students, trainees, volunteers, researchers, retired people and so on. The Commission invites all concerned to a close co-operation in the implementation of this Action Plan.

1. Free Movement of workers: Why an action plan?

1.1 The Treaty of Rome: established the principles

The right to free movement of workers, enshrined in the Treaty of Rome, gives every European citizen the right to enter the territory of any Member State in order to work or look for work¹. The purpose is to open European labour markets to all EU workers, thereby contributing to the overall goal of peace and prosperity and complementing the development of the Single Market for goods, services and capital.

This right of access to the national labour markets includes a right to equal treatment in respect of working conditions, as well as the right to social, economic and cultural integration of the migrant worker and his/her family in the host State. The right to free movement of workers is complemented, and supported, by a system for the co-ordination of social security schemes, and a system to ensure the mutual recognition of diplomas.

This basic right has been extensively interpreted by the European Court of Justice through its case law. The Court has developed a consistent case law in support of free movement and has insisted on the removal of all obstacles that may have a deterrent effect on free movement, provided that such obstacles are not justified on grounds of mandatory requirements².

1.2. The evaluation: several flaws and lacunae

Despite the fact that the right to free movement for workers has become one of the most developed legal mechanisms granted by EU law to the European citizen³, serious flaws and lacunae exist. This is highlighted by a number of cases that have been decided by the ECJ over the years.

The High Level Panel on free movement of persons, set up by the Commission in 1996 and chaired by Ms Simone Veil, concluded that while free movement was a legal reality and most of the necessary mechanisms were in place, "the effective rules must be applied effectively, not only to the letter but also in the spirit in which they were intended". The Panel pinpointed a number of obstacles to the free movement of persons and made a large number of proposals to the Commission for the reinforcement of the existing rules concerning all Union citizens enjoying the right to free movement.

In addition, in its Green Paper "Education-Training-Research: obstacles to transnational mobility", the Commission has highlighted problems to mobility of

¹ Article 28 of the EEA Agreement has extended such right to all citizens from the European Economic Area.

² Article 48.3 and 48.4 of the Treaty of Rome, as interpreted by the Court of Justice, allow restrictions on free movement based on public policy, public security or public health (article 48.3) or for positions which imply the exercise of public powers and the safeguard of the general interests of the State..

³ The main legal rules are contained in: Regulation 1612/68 on freedom of movement for workers within the Community (OJ L257, 19.10.1968), Directive 360/68 on the abolition of restrictions on movement and residence within the Community for workers of the Member States (OJ L 257, 19.10.1968), Regulation 1408/71 and 574/72 on the application of social security schemes to employed persons, self-employed persons and members of their family moving within the Community (updated version OJ L28 of 30.01.97, and Regulation 1251/70 on the right of workers to remain in the territory of a Member State after having been employed in that State (OJ L 142, 30.06.1970).

students, researchers, trainees and young volunteers and has put forward some ideas for solutions.

Main Recommendations of High Level Panel concerning free movement of workers

- ⇒ Information for and about people moving around the Union must be improved
- ⇒ Access to employment in the Member States must be facilitated
- ⇒ Employment in the public sector must be opened up
- ⇒ Social rights need modernising
- ⇒ Family rights should be amended to reflect social change
- ⇒ Training across the EU (vocational, language training) must be facilitated
- ⇒ Greater equality of tax treatment should be achieved
- ⇒ The situation of legally resident third country nationals must be improved

1.3. The Amsterdam Agreement: promote responsive labour markets

At the European Council in Amsterdam the Heads of State and Government agreed a new Treaty making employment policy a matter of common concern, and calling for a co-ordinated strategy for Member States employment policies. The purpose of this co-ordinated strategy is to promote a skilled, trained and adaptable workforce and labour markets responsive to economic change.

The right to free movement, and the functioning of the legal mechanisms for mobility, must also be seen in the context of the development of a common employment strategy and to improve the functioning of the labour markets in Europe, as set out in the Commission proposal for guidelines for Member States Employment Policies for 1998⁴.

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This Communication presents an overview of free movement of workers in the perspective of European integration (Section 2), and proposes an action plan for the improvement of the existing rules, together with a strengthening of responsibility and co-operation, the promotion of transparency and the development of innovative projects (Section 3). Finally, it sets out a description of the next steps to be taken (Section 4).

⁴ Com(97) 497 final of 01.10.1997

2. Free Movement of workers: What are the challenges?

2.1. The starting point: low mobility in the past

Historically, cross border mobility in the EU has been low. Presently, around 5 million European citizens reside in another Member State. Less than 2 per cent of the working age population in the EU consists of people from one Member State working in another, although there are considerable variations between Member States. Movement of people measured on a yearly basis amounts only to 0.2 per cent of the population.

Nevertheless, significant numbers of people work across national borders. In 1995, around 600.000 people in the Union lived in one country and worked in another. Half of these worked in another Member State, the other half in countries outside the Union. The great majority commute on a daily basis. Others work in another country for a period of time without changing their place of residence. A more detailed analysis of labour mobility, is given in the Commission report *Employment in Europe 1997*⁵.

Low mobility is a consequence of a number of factors, including high levels of unemployment, social and cultural barriers, practical obstacles to movement, and lack of information on opportunities.

2.2. Better prospects in the near future

- ⇒ The underlying conditions necessary for sustained growth in output and employment in the EU are now in place. The realisation of EMU will reinforce the operation of the Single Market and strengthen the prospect of sustained price stability and economic growth.
- ⇒ The implementation of the Single Market Action Plan, endorsed by the Member States in Amsterdam, will further reinforce free movement of workers as a key element in the process of European integration.
- ⇒ Demand by employers for workers from other Member States should grow as they develop a more sophisticated view of the European market, given the increasing importance of cross-border trade within the EU. This will require the recruitment of mixed nationality, multi-lingual personnel drawing on different cultures, languages and professional strengths.
- ⇒ The acquisition of new, transferable skills by the workforce, especially technological skills (which tend to be universal in application), language skills (which reduce obstacles to working in other Member States) and greater experience in team-working (which develops flexibility) will also affect their job choices.

Another factor of importance for labour mobility is the integration of regional economic areas near the borders. Certain "Euro-regions" are likely to emerge since workers in border areas are particularly fast to react to changes in the neighbouring country. The introduction of the Single Currency, the Euro, will further facilitate mobility by making price and wage levels more transparent and by simplifying economic transactions. This will have a particularly strong impact in cross-border regions.

⁵ Report from the Commission on "Employment in Europe. 1997"

These factors could lead, quite quickly, to the development of significant European-wide labour markets across many skill and professional categories, with workers moving with increasing ease between local, regional, national and European levels throughout their working life. This makes it all the more important to remove the remaining obstacles to free movement of workers.

2.3. New opportunities for young workers

The new conditions for free movement will be of special importance for young people, who are much more mobile than workers who are settled with a family and children. The mobility of young workers could help to diminish future labour market imbalances, between regions and between Member States, especially since this new generation is better trained and has better language skills and more experience of travelling in Europe. However, the population of young workers, between the age of 20-30 will decrease by 9 million between 1995 and 2005, with the main part of this change occurring before the end of the 1990s⁶.

The decrease in the young working age generation and the fact that more of them continue in higher education will have an effect on the supply of labour. This generation will face a labour market situation quite different from the one young people have faced during the last two decades, with more opportunities to find a job and to choose between different opportunities. Free movement of workers will therefore be more important than it has been for any generation of young workers in the European Union. Furthermore, work experience from other Member States will be seen as an important merit in a national professional career. From the point of view of employers, workers with professional experience from other Member States will be more attractive. Effective free movement is an essential element for the creation of a multicultural, multilingual work force, offering comparative advantages to Europe in global markets.

2.4. Future enlargements

The effect of future enlargements of the Union on labour mobility is difficult to assess. Many of the applicant countries have a demographic perspective similar to the one facing the present Member States, with a declining working age population. These issues are discussed in more detail in Agenda 2000.⁷

2.5. Free movement: the new perspective

Free movement of workers will become a more important factor during the next 10-20 years than it has been during the last 30 years, both from an individual and from a labour market point of view. The main reasons for this are demographic changes and the changing nature of working life. Moreover, the nature of the movement will be different from the movement of the 1960s and the 1970s. In the future people with skills and high skills will move more frequently, while unskilled workers will be less in demand.

⁶ see "Demographic Report 1997" presented by the Commission. COM(97) 361 of 09.07.1997.

⁷ Agenda 2000: the challenge of enlargement [Com(97)2000 vol.II].

The increased participation of women in the labour market and the reduction of the gender imbalances will also have an effect on geographic mobility, as mobility in many cases concerns two people with separate careers. Removing remaining restrictions to labour mobility, improving information on job opportunities, and strengthening the incentives to mobility would help tackling emerging skill shortages, and enhance employment and economic growth. Such action would contribute to off-set some of the discouragement to European-wide mobility that joint careers may provoke in some cases.

In order to improve knowledge and understanding of geographical mobility in the light of the Single Market, the Single Currency and technological, economic and demographic developments in the Member States, the Commission will deepen its analysis of the factors that will have an impact on free movement of workers. The Commission will also encourage the Member States and the Social Partners to contribute to the reflection on labour mobility in the EU.

3. Free Movement of workers: An action plan

This Action Plan fulfils a commitment in the Action Plan for the Single Market to present a package of measures to overcome the remaining barriers to the free movement of workers and to improve the prospects for mobility in the European Union.

The starting point for reinforcing free movement of workers is the "acquis communautaire", which already contains the essential elements which make free movement a reality. The effective enforcement of the existing rules has been and continues to be a priority in this area. Moreover, following the report of the High Level Panel, which also concerns free movement of persons who are not exercising an economic activity, the Commission has already announced its intention to present in 1998 proposals to simplify and enhance the existing secondary legislation with a view to drawing all consequences in order to give full value to citizenship of the Union

The Action Plan has a five-fold approach:

- ⇒ Improve and adapt the rules,
- ⇒ Make the labour market more transparent,
- ⇒ Develop responsibility and co-operation,
- ⇒ Improve knowledge and visibility of the right to free movement,
- ⇒ Develop innovative projects.

3.1. Improve and adapt the rules

The adaptation of the rules must take into account the new environment aiming at facilitating the emergence of a single European employment market. To this end, professional recognition of experience and other elements (such as diplomas, military service, vocational training, etc) acquired in different Member States should be further reinforced and the rules on the co-ordination of social security regimes should be clarified and simplified. Proposals for amendments, following the High Level Panel's conclusions, will be presented during 1998 and will cover the following aspects:

3.1.1. *Right of residence*

Right of residence for jobseekers must be improved. An EU national looking for employment in one Member State should be given a reasonable period of time to seek a position. At present, Directive 360/68⁸ contains a legal lacuna since the situation of job seekers is not covered. This means that job seekers may not benefit from measures aimed at facilitating their right of residence, rendering their administrative situation uncertain since they are not entitled to any residence document. Therefore, Directive 360/68 should be amended to clarify their administrative situation, in accordance with the case law of the Court on right of residence for job seekers.

As regards workers who have a number of successive short term employment contracts, the existing legal framework entitles Member States to impose successive renewals of their residence cards. Directive 360/68 should provide for the accumulation of residence periods under short term contracts in order to entitle the worker to a long term residence card, avoiding repetitive renewal of the residence documents after a total residence time of over one year.

The High Level Panel proposed the elimination of visa requirements for third country family members of an EU worker. While this is ambitious, as a first step, procedures for issuing visas in these cases must be further facilitated, in particular as regards the place of issuing the visa, so that the visa may also be delivered at the place where the worker is fixing his/her residence with his/her family.

3.1.2. *Family reunion*

Freedom of movement is not complete unless EU workers have the right to be joined by their families, irrespective of the nationality of the family members. Regulation 1612/68 provides presently that the worker may be joined by his/her spouse, their children under the age of 21 or over 21 who are still dependant and their ascendant relatives who are dependant. Following the High Level Panel's conclusions and the Commission proposals from 1989, the right to family reunion should be extended to cover:

- * non-dependant children over 21 years of age together with ascendant relatives which are not dependant
- * unmarried partners of EU workers, provided that the legislation of the Member State concerned assimilates to the spouse the unmarried partner of a national worker.

3.1.3. *Equal treatment concerning social and tax advantages*

The Court of Justice has developed an extensive case law guaranteeing migrant workers equal treatment concerning social and fiscal advantages. Following the Court, such advantages cover a wide range of benefits of a varied nature. In order to ensure legal clarity, this case law must be consolidated in the legislation. Thus, Regulation 1612/68 should clarify that a migrant worker is entitled to equal treatment with national workers as regards

⁸ see footnote n°3

any advantage of a social, economic, fiscal or cultural nature or any other, so as to allow his/her full integration in the host Member State.

The legislation should equally specify that when any advantage is made dependent upon some specific qualification or circumstance, Member States should take into consideration comparable qualifications or circumstances from other Member States (principle of equivalence of situations). This amendment will have a decisive importance for the public sector, where a large number of social and professional advantages are exclusively granted when they are acquired inside the national public sector (for instance, seniority in the public sector may have important professional consequences, but seniority in the public sector of another Member State is not recognised).

3.1.4. *Equal treatment and social integration of the worker's family*

The Court of Justice has repeatedly confirmed that social advantages must also be available to the migrant worker's family although this is not mentioned in the legal texts. In order to ensure legal certainty, these rights should be incorporated in the legislation. Furthermore, the right for the worker's spouse to pursue an independent economic activity is not specified in Regulation 1612/68 and must be therefore included.

3.1.5. *Frontier workers*

Cross-border mobility in frontier regions plays a very important part in labour mobility in Europe. However, frontier workers face a range of specific problems due to disparities between national legal systems in terms of social security (in particular for retired frontier workers and family members), taxation, social advantages, health care protection, etc. Specific provisions on frontier workers should be adopted to overcome these problems. It is important to set out clear rules for frontier workers so that red tape or legal disparities do not curtail the efforts to enhance cross-border mobility.

3.1.6. *Reform and simplification of the rules on co-ordination of social security*

Regulation 1408/71 co-ordinates social security arrangements for people moving within the Community. This co-ordination system is a prerequisite for free movement of workers. The evolution of geographical mobility and the major changes in the national security systems make social security co-ordination even more important and necessary than before. Modernisation and simplification of the rules on the co-ordination of social security regimes is essential to make them more efficient and user friendly. The Commission will therefore present, before the end of 1998, a proposal to reform and simplify Regulation 1408/71.

Furthermore, the Commission will continue to press for the adoption of pending proposals before the Council concerning the modernising and enhancement of Regulation 1408/71⁹. In particular, in December 1991, the Commission made a proposal to extend the scope of Regulation 1408/71 to cover special schemes for civil servants which are currently excluded from it and to include students

⁹ See Com(95) 735 - proposal for extension of Regulation 1408/71 to cover pre-retirement benefits (OJ C 62 of 01.03.1996) and Com(95) 734 - proposal to amend Regulation 1408/71 to extend the exportability of unemployment benefits - (OJ C 68 of 06.03.1996).

and other persons not yet covered¹⁰. After the judgement of the Court (case C-443/93 Vougioukas) concerning special schemes for civil servants, the Commission will take the appropriate steps in order to ensure the full implementation of Community law.

3.1.7. *Inclusion of third country nationals in the system of co-ordination for social security*

The extension of Regulation 1408/71 to third country nationals is part of the Commission's long-standing policy to improve the legal status of third country nationals residing in the Community. It is no longer justifiable that a worker who is covered by national social security arrangements should be completely excluded from the protection offered by the Community co-ordination system simply because he or she is not an EU national¹¹. It should also be seen within the framework of the European Year against Racism as well as the follow-up of the High Level Panel. Third country nationals do not currently enjoy the right to free movement under Community law, and this proposal does not imply the granting of such a right. However, this extension will considerably strengthen the social protection of third country nationals when they obtain the right to work and reside in another Member State within the European Union. It will also achieve an important legal and administrative simplification, because the social security co-ordination between Member States for third country nationals is currently regulated by numerous bilateral and multilateral agreements. This proposal is presented in parallel to this Communication.

3.1.8. *Supplementary pensions*

While statutory pensions are co-ordinated at European level by the Community rules mentioned above, there is no comparable co-ordinating mechanism for supplementary pensions. This poses specific problems for people moving about the Community. Accordingly, the Commission has recently adopted a proposal for a Council Directive aimed at removing certain obstacles to cross-border mobility of workers in the European Union encountered in the field of supplementary pensions¹². The proposal covers, as a first step, three points: preservation of acquired rights, facilitating cross border payments and possibility of affiliation to the pension scheme of the State of origin for posted workers while serving short term employment in another Member State. Furthermore, the Commission's Green Paper on supplementary pensions¹³ considers the remaining obstacles to free movement related to the diversity of supplementary pensions schemes.

¹⁰ See Com(91) 528 (OJ C 46 of 20.02.1992)

¹¹ See Commission Communication on "Modernising and improving social protection in the European Union" COM(97)102 adopted on 12 March 1997

¹² Proposal for a Council Directive on safeguarding the Supplementary pension rights of employed and self-employed persons moving within the European Union [Com(97)486 of 8.10.97].

¹³ Supplementary pensions in the Single Market: A Green Paper [Com(97)283 of 10.6.97].

3.1.9. *Education and training*

The individual right to free movement is also linked to the promotion of opportunities for better training and education. In particular, the importance of life long learning in a changing environment calls for clearer rules on the transnational development and mutual recognition of qualifications, especially when such qualifications are not covered by EU rules. Today, investing in human resources is one of the biggest challenges for European firms. An effective space of professional and vocational mobility will have a decisive importance in meeting this challenge. These issues have been explored in the Green Paper "Education, Training, Research: the obstacles to transnational mobility"¹⁴. Following on from the considerable feedback resulting from the Green Paper, the Commission will present proposals in these areas at the beginning of 1998. A package of measures, legal or otherwise, will cover various types of obstacles (linguistic, cultural, administrative, legal) and the issues that can cause problems (qualifications and competencies, social security, taxation, rights of residence, work permits). In this context, it is the Commission's intention to propose an instrument regarding the European mobility of apprenticeships.

Objective:

Adapting, updating and simplifying the existing rules and regulations so as to facilitate free movement of workers.

Key Action:

- ⇒ **To complete and update the main legal instruments for free movement of workers and consolidate the case law of the Court in the legislation: amendments to Regulation 1612/68, Directive 360/68 and Regulation 1251/70 will be proposed, during the first semester of 1998**
- ⇒ **A Proposal will be submitted to the Council to reform and simplify Regulation 1408/71, during the second semester of 1998**
- ⇒ **To present a proposal for the extension of Regulation 1408/71 to third country nationals covered by the social security system in one Member State. This proposal is presented in parallel to this Communication**
- ⇒ **To press for the adoption of pending proposals aimed at enhancing Regulation 1408/71**
- ⇒ **To press for the adoption of the proposal for a directive on supplementary pensions**

3.2. **Make the labour market more transparent**

Information on job opportunities and on jobseekers are essential requirements to foster free movement of workers. EU citizens must get accurate information of the potential of the European labour market in terms of employment possibilities, enhancement of qualifications and development of an international

¹⁴ Com(96)462.

career. EU firms must also get accurate information about the availability of a multicultural, multilingual labour force which offers an important competitive advantage in the global market.

3.2.1. *Improve information and access to jobs*

The European Council in Dublin, endorsing the Joint Employment Report, invited Member States to proceed with a rapid modernisation of the Public Employment Service (PES). A recent survey indicates that the PES are responsible for 20 per cent of all placements on average in the Community, representing millions of vacancies each year. The support to PES in the form of information and communication technology has been improved substantially over the last few years. Some national and regional PES have started to advertise their services on the Internet, including information on the PES themselves, training courses, employment programmes and job vacancies (Belgium, Denmark, Germany, Spain, France, the Netherlands, Austria, Finland, Sweden, United Kingdom). In this way information is available, not only on a local or national labour market, but also for people in other countries. Private employment agencies are also using the Internet to advertise vacancies or circulate CVs.

Furthermore, the Directors of the Employment Services of the Member States have met recently for the first time (June 1997) and new forms of co-operation oriented to enhance mobility will be explored. These initiatives will further strengthen the existing co-operation and information mechanisms together with the exchange of good practice between PES.

At European level the EURES (European Employment Services) network, launched in 1994, has developed an IT system which allows PES to notify each other their international job vacancies, supporting the 450 Euroadvisors in all the Member States. This system is customised to meet the specific needs of each PES and some border regions have agreed to exchange through EURES all job vacancies in their area. The database is also being expanded to include vacancies for training placements. EURES is also developing Internet-based services, which will mirror at a European level those provided by the PES at Member State level. The Commission will encourage all Member States to link their job banks to the Internet, thereby improving possibilities for workers all over Europe to find a job and for enterprises to find people with adequate skills.

3.2.2. *Develop cross border co-operation*

Cross border labour mobility is an essential element of labour mobility and a specific impulse needs to be given to foster cross border co-operation in frontier areas, covering specific issues such as social security and tax law. In some border regions EURES cross-border partnerships have been developed in between PES, social partners and other partners (local authorities, research organisations, etc.), and these already provide important services to the citizens of these regions. In particular, the two central services delivered by EURES (information and advice on job offers and on working and living conditions) are completed and intensified by the fact that, in addition to Euroadvisors of the Employment Services, Euroadvisors from trade unions and other partners give more detailed advice on working and living conditions. Furthermore, the EURES crossborder partnerships have two other specific areas of activity:

- ⇒ exchange of information on vocational training: institutions in charge of vocation training activities in the region concerned cooperate through the EURES partnership in order to facilitate the participation of crossborder workers in vocational training or to develop special measures for crossborder workers. Work is also been carried out in this area in the framework of the Leonardo da Vinci programme for vocational training.
- ⇒ encouraging consultation on problems in the labour market through the links between the various partners on either side of the border.

Some of those partnerships have already existed for several years and have developed an efficient co-operation at cross-border level. The development of this network should be further encouraged at European level.

Objective:

To establish by the year 2000 enhanced co-operation of public employment services in order to offer jobseekers, wherever they live, information on vacancies, training opportunities and working conditions, wherever they would like to move.

Key action:

- ⇒ **The Commission will promote Internet-based services, which will mirror at a European level, those services provided by the PES at Member States level and encourage all Member States PES to participate in this system.**
- ⇒ **Co-operation between PES will be encouraged with a view to enhance the mechanisms for transparency of the European labour market and exchange of practice between PES.**
- ⇒ **Cross border co-operation will be fostered in frontier areas in order to cover specific issues which are of interest to cross border workers, such as social security and tax law.**

3.3. Develop co-operation and reinforce responsibility

The participation of national authorities is essential for the effective implementation of free movement since they are in charge of the application of the existing rules. As noted by the High Level Panel, "a host of practical problems could be settled swiftly if national administrations were in the habit of corresponding with each other and exchanging information on the cases they have to deal with. As things stand, however, alleged infringements reported by individuals are in fact mostly difficulties stemming from the lack of administrative flexibility towards the special situation of migrants".

3.3.1. Upgrade administrative co-ordination and information mechanisms for citizens and enterprises together with the creation of specific contact points for workers

All Member States have endorsed the Single Market Action Plan, in which co-operation with national authorities on enforcement and problem solving is a key element. In particular:

- ⇒ Single Market Action Plan Strategic target 1, action 2, provides for the creation by each Member State of a co-ordination centre for ensuring that problems raised by other Member States or the Commission are solved by the national or regional authorities directly concerned.
- ⇒ Single Market Action Plan, target 1, action 3, also provides for the creation of contact points where citizens and undertakings may obtain specific information about issues related to the Single Market. This action will include advice for citizens and businesses on how to overcome difficulties.

The Commission considers that there is a real need for specific steps to be taken in relation to free movement of workers, in order to translate the political commitment of the Member States into effective action and to a more flexible approach to existing obstacles. Accordingly, the Commission, through the Technical Committee and the Advisory Committee on free movement of workers, will encourage the Member States to set up contact points within their administrations for dealing directly with specific urgent problems regarding free movement of workers. Such contact points will act as privileged interlocutors with the Commission and should be able to assist in the solution of specific problems that require an urgent response for workers such as: access to employment in the public sector, where rigid employment structures may hinder free movement; refusal of social benefits to a worker or his family members; or family reunion rights.

3.3.2. Make co-operation with the social partners more efficient

Social partners have an important role to play in the formulation and implementation of measures to enhance the free movement of workers. The Commission is advised by two separate tripartite advisory committees directly competent for free movement, one on free movement and one on social security. The Commission will use these committees to gather the views and opinions of the Social Partners on the evolution and future perspectives for free movement. Furthermore, as requested by the Social Partners, the Commission will improve the efficiency of the advisory committees by proposing their merger into a more cost effective and comprehensive structure.

Specific actions both of information and co-operation with the social partners will cover subjects such as conditions for access to employment in the public sector, systems or methods for increased transparency as regards mutual recognition of professional qualifications, training or experience when no EU rules exist, consideration of family related issues (mobility of couples).

More generally, the social partners are active in debates such as the new organisation of work and the need to invest in human resources. Their contribution to assess free movement of workers from those perspectives will be very important. Furthermore, social partners are already involved in border regions as members of the steering committees that are responsible for the

management of the EURES cross-border partnerships. They also participate in the execution of the activity plan approved by each partnership. The Commission will invite the social partners to put the new challenges of free movement of workers, presented in this Communication, on the agenda for the social dialogue and contribute to the further development of public policies having an impact on free movement.

Objective:

To develop active co-operation with national authorities so as to ensure the efficient functioning of the existing legal framework, and to involve the social partners.

Key action:

- ⇒ **The Commission will use the co-ordination structures proposed in the Single Market Action Plan to improve co-operation and to facilitate the solution of problems and conflicts,**
- ⇒ **The Commission will encourage the Member States to create special contact points for migrant workers aimed at dealing with specific urgent problems regarding free movement,**
- ⇒ **The Commission will propose, during 1998, a merger of the two advisory Committees (free movement of workers, social security for migrant workers) in order to make the co-operation more efficient,**
- ⇒ **The Commission will invite the social partners to contribute through the social dialogue to the development of policies for an effective implementation of the right to free movement.**

3.4. Improve knowledge and visibility of the right to free movement

To enhance knowledge and visibility of free movement, the Commission will, within the framework of forthcoming Single Market information and feedback activities, highlight the potential of the European labour market in terms of upgrading of and access to skills, training possibilities, including transnational apprenticeship schemes, and development of a European career. Building on the experience of the Citizen's First initiative, which has demonstrated the need of citizens for practical information about their rights, the Commission is planning to deepen its impact by ensuring a more widespread awareness among citizens and businesses of the possibilities for exercising the right to take up employment in other Member States. This will take place through the existing and future communication activities such as Euro-Info Centres, National Centres for Vocational Guidance and, in particular, the permanent mechanism for Dialogue with Citizens and Better Information for Business contained in the Single Market Action Plan. A close linkage with the activity of EURES will be ensured.

Furthermore, specific actions, such as seminars, are currently being launched to inform citizens, legal practitioners and national authorities about the scope of free movement. For mid-1998, the Commission is planning to organise a major European Conference which will commemorate the 30th anniversary of Regulation 1612/68. In addition, in 1998, the Commission will start publishing

a newsletter concerning free movement of workers and social security containing information about major developments in that field.

Objective:

Make the right to free movement better known among the actors in the labour market.

Key action:

⇒ **The Commission will highlight free movement and the potential of a European labour market through its existing and future information and communication activities.**

3.5. Develop innovative projects

The European Social Fund has as one of its key objectives "to render the employment of workers easier and to increase their geographical and occupational mobility within the Community, and to facilitate their adaptation to industrial changes and to changes in production systems, in particular through vocational training and retraining" (Article 123 of the Treaty of Rome).

ESF action is further defined in Regulation 2084/93 which includes support in relation to vocational training and retraining, help for young people to enter the labour market and the promotion of employment. Such actions encourage greater employability of workers and thus will enable them to enjoy greater geographical or occupational mobility. This is already achieved through the specific instruments of the Fund, mainly Objectives 3 and 4 and the ADAPT Community initiative.

The ESF also supports measures which can reinforce mainstream programming and Community initiatives through Article 6 of its Regulation. These measures include: innovative projects, studies and technical assistance.

Therefore, in the context of Article 6 of the ESF Regulation, the Commission finances innovative projects which can serve as precursors for mainstreaming action. It will pay particular regard in 1998 to projects supporting labour mobility.

In this context, the social partners will be invited to present projects aimed at reducing the impact of the remaining obstacles to free movement and/or to supporting geographical and occupational mobility caused by industrial changes and restructuring. The details for such actions will be set out in a call for projects which will be published during early 1998 at the latest.

Another source of innovation has been the Leonardo da Vinci action programme for vocational training, which funds pilot projects and placement and exchange projects which develop innovation in various fields, including labour geographical mobility.

Objective:

To highlight the input from ESF instruments in the implementation of policies seeking to facilitate labour mobility.

Key action:

⇒ The ESF will finance under Article 6 projects supporting labour mobility. A call for projects will be launched in early 1998.

4. The next steps

The Commission is committed to ensuring the full and effective implementation of free movement of workers so as to cement the rights of EU citizens, develop the European labour market and meet the new challenges described in this Communication.

This Action Plan sets out a package of measures designed to achieve this. Before the end of 1998, the Commission will present the announced legislative proposals to the Council. The Commission calls on the European Parliament and on the Council for their support in adopting these proposals quickly. Furthermore, the Commission will inform and consult the social partners about the Action Plan in order to highlight the importance of their contribution and to ensure their participation in the key policy actions that are set out.

In line with the objectives of the Action Plan and the proposal for guidelines for Member States Employment Policies for 1998, the Commission will ensure that free movement of workers plays a key role in the implementation of European co-ordinated employment policies. Moreover, the Commission will encourage the social partners, in different fora, to assess the European dimension of the labour market from the perspective of free movement of workers.

The Commission will keep the state of implementation of the Action Plan under close review.

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