



Is Juncker's enthusiasm for a common labour authority premature?

Miroslav Beblavý

In his State of the Union [speech](#), the European Commission President Jean-Claude Juncker touched upon the hot political issue of posted workers. He mentioned two proposals:

- New rules on posting of workers following the principle “Workers should earn the same pay for the same work in the same place”
- Creation of a European Labour Authority to enforce “all EU rules on labour mobility... in a fair, simple and effective way”

At first sight, taken together, these two proposals appear to promise a sea change in how cross-border labour flows are regulated. Unfortunately, however, what we are witnessing is more of a marketing and repackaging exercise.

The principle that posted workers should earn the same pay for the same work as ‘domestic’ workers was proposed by the Commission in March 2016, in the [draft revision](#) of the posted workers Directive. The proposal has not gone anywhere because a blocking minority of member states objected, partially on competitiveness grounds and partially because of the administrative burden the proposal would place on companies with truly mobile workers. The Directive’s revision is currently being revived thanks to its prominence in this year’s French presidential campaign and the political capital the new President Emmanuel Macron is expending on getting at least some of the objecting member states (notably Czech Republic and Slovakia) on board. Its inclusion in the State of the Union speech is therefore more of a political sleight of hand by which the Commission’s President wants to take credit for a potential upcoming victory won by someone else.

What is relatively new is the proposal for a European Labour Authority. Regrettably, this bears all the signs of a rushed “let’s announce something” approach, without much substantive thought behind it.

The justification in the speech was so generic that it could apply to nearly any policy area to propose a new agency: “It seems absurd to have a Banking Authority to police banking standards, but no common Labour Authority for ensuring fairness in our single market.” The

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same applies to its endorsement by its political godmother, Marianne Thyssen, European Commissioner for Employment, Social Affairs, Skills and Labour Mobility, who tweeted: “For a single European labour market we also need a European labour market authority.” According to [Euractiv](#), she “first suggested the idea for a labour authority to Juncker two weeks ago during a retreat with the full College of EU Commissioners”. Not a lot of time in which to conduct a careful and critical examination of the idea, but enough to put it in a speech.

Until now, there has been an extremely weak institutional framework for coordination of labour inspectorates across the Union. To go from a nearly non-existent European institutional role to a common authority that would, again according to Euractiv, “carry out cross-border inspections to fight abuse of workers and potentially settle disputes between national labour watchdogs”, is difficult to justify on either policy or political grounds. Even the French were not entertaining such an ambitious project.

As Mr Juncker noted in his speech, Europe has wind again in its sails, after years of seemingly endless crises. It would be a true demonstration of statecraft to judiciously investigate the merits and feasibility of a well-chosen set of proposals and then select one (or a combination thereof) for implementation that has the best chance of being enacted and making a real difference in the European project.