

UEAPME opinion on a European Labour Authority and a European social security number

As a follow-up to the dedicated hearing of European Social Partners organised by the European Commission on 11 December 2017, UEAPME would like to put forward the following reflections.

As UEAPME, we consider any initiative to further promote cross-border mobility of workers positively. However an important open question is the interaction between the new Labour Authority with other pre-existing structures or bodies and in particular the Senior Labour Inspectorates Committee, the Platform on Deterrence of Undeclared Work or the EURES network.

Enforcement of existing European rules need to be improved without creating additional administrative burdens and red tape for employers and workers, in particular for small businesses.

On the European Labour Authority:

- The European Labour Authority should **not take up the role of national authorities**. It should give support where national administrative capacities are lacking and provide for exchange of experiences while fully respecting **subsidiarity**. The European Labour Authority **should have no regulatory power** and/or interpretation capacity or EU legislation competence.
- Bureaucracy and multiplication of EU bodies with an additional administrative layer **should be avoided**. **There is a clear need for better cooperation and coordination**. Several tools for cooperation already exist on EU level, together with many different bilateral agreements between Member States, but they could need more information exchange and analysis, while respecting data protection.

It is essential to improve the cooperation on cross-border employment and social security matters by first promoting transparency of information available in all languages. The second aspect should be to improve information sharing among national authorities.

This could be done via technical assistance and support to capacity building of national administrations in view to foster the already existing obligation to cooperate in the field of social security and posting of workers.

- **The European Labour Authority could become a one stop shop for information sharing**, which would streamline the information already available under other portals such as EURES and in this way give comprehensive overview on issues of social security and labour mobility. The European labour Authority should not provide cross-border inspections, but could support cross-border inspections done by national authorities by providing technical assistance and necessary information or analysis.
- A European Labour Authority should not interfere with the competences of the Member States nor the autonomy of social partners in the fight against undeclared work, tackling social security fraud or other labour market issues.

In the context of the posting of workers directive, there has been a permanent request for a certain right of verifying the validity of social security registration. In order to be able to do so, an important step would be **to support a better functioning of the network of national social security bodies**, the IMI system for the posting of workers and the EESSI - Electronic Exchange of social security Information.

- On the possible role of the European Labour Authority for arbitration through a dispute resolution mechanism, it should be carefully considered, since it is the primary competence of the European Court of Justice. **The Authority could act as a discussion board to facilitate exchanges and as mediator to solve problems between Member States on a voluntary basis and at the sole request of Member States.**
- If the European Labour Authority will take the form of an Agency, social partners should be involved and have a role in the governance.

On the European Social Security Number:

UEAPME supports all types of new initiatives that can facilitate mobility of workers in the European Labour Market as long as it respects subsidiarity. This is particularly the case for the social security systems where the sole competence lies with Member States.

- A European Social Security Number should be limited to mobile workers. It should simplify the exchange of information on social security, reinforce transparency. It could also facilitate fraud detection linked to social security, in particular in the case of posting of workers.
- It should help to have a better overview of social entitlements acquired in different Member States by mobile workers.
- UEAPME has no preference between the two options proposed by the European Commission: the introduction of a standardised EU format for national security numbers or of a European social security number for individuals to use only for cross-border situations. Whatever the final option chosen, essential will be to choose the less costly solution, in particular if it is really meant to be used only for cross-border cases.
- However such a new initiative should take into account the changes to be introduced through the ongoing revision of the regulation on coordination of social security and the development of the Electronic Exchange of Social Security Information which also aims at improving cooperation between national authorities.
- Finally, a European Social Security Number should fully respect the rules of data protection.

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