

## Editorial

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This issue of the Italian Labour Law e-Journal is the product of a joint publishing initiative with *Diritti Lavori e Mercati* journal (issue no. 2/2021, forthcoming), dedicated to the recent proposal for a Directive on adequate minimum wages in the European Union.

The Commission's initiative comes after a long discussion about the desirability of a European instrument on minimum wages. The topic had already received a big deal of attention in the aftermath of the eastward enlargement of the EU, when the problem of wage competition in the single market came to the fore. The debate was then relaunched by the great recession started in 2008, bringing an unprecedented increase of in-work poverty and wage inequalities; situation exacerbated by the current crisis generated by the pandemic.

In the State of the Union Address of September 2020, President von der Leyen recognized that “wage dumping destroys the dignity of work, penalises the entrepreneur who pays decent wages and distorts fair competition in the Single Market”; hence the pledge to put forward “a legal proposal to support Member States to set up a framework for minimum wages” granting everyone “access to minimum wages either through collective agreements or through statutory minimum wages”. The Commission's legal proposal took eventually the form of a Directive, presented on 28 October 2020 after the conclusion of consultations under article 154 TFEU. The draft legislation is based on the social policy chapter, and here on article 153.1, letter b), according to which the Union shall support and complement the activities of the Member States in the field of “working conditions”.

Although the initiative is at the top of the political agenda of the European Commission, the reaction has been lukewarm or even outright negative. First of all, because of the doubts surrounding its legal basis. As I am going to highlight in my contribution (*Much ado about little: The Commission proposal for a Directive on adequate wages*), the EU limited competence on “pay” (Article 153.5 TFEU) represents a relevant obstacle for the proposal, either for its legitimacy or for its effectiveness. Even from a pure political perspective, the legislative process is not going to be smooth as explained by Thorsten Schulten and Torsten Müller (*A paradigm shift towards Social Europe? The proposed Directive on adequate minimum wages in the European Union*), since the Directive may mark a fundamental paradigm shift involving the model of European integration and the role that social Europe should play within it.

The sensitivity of the issues dealt with by the Commission's proposal is also testified by the division caused among European Social Partners. The European Trade Union Confederation has immediately shown an enthusiastic support for an initiative promoting wage adequacy, as made clear by the contribution written by its General Secretary Luca Visentini (*Directive on Adequate Minimum Wages: European institutions must respect the promise made to workers!*), advocating for bolder and more effective solutions. On the contrary, as reported

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by Jeanette Grenfors and Elvira Gentile (*The minimum wage Directive proposal and the promotion of collective bargaining: the voice of SGI-Europe*), SGI Europe - as well as the entire employers' side - is worried about the risks the Directive may represent for national well-established industrial relation and collective bargaining systems.

Not surprisingly, the Commission's proposal got a mixed reception from member states too, explainable by the large differences between national wage-setting mechanisms and systems of industrial relations. In this issue we give room to various national perspectives on the Directive, which are obviously much influenced by the kind of impact it may have on the national system. As explained by Barbara Surdykowska and Łukasz Pisarczyk (*The Impact of the Directive on Adequate Minimum Wages in the European Union on Polish Labour Law*), the adoption of the directive would require significant changes in Polish law, which are not very likely to take place given the current condition of social partners, the attitude of the authorities and other political forces. Some efforts may be required also for the German system. This is particularly true in connection with the Directive's provisions aiming at increasing collective bargaining coverage, which is quite low in Germany, to the point that Maximilian Fuchs (*Notes on the proposal for a directive on adequate minimum wages: a German perspective*) is doubtful whether the next German government, soon in office, will continue to support the minimum wage project. For other countries, the foreseeable impact of the directive could be more modest. In this respect, Thomas Pasquier article (*Proposal for a Directive on adequate minimum wages in the European Union: a look at French law*) explains how the French system seems more demanding compared to the prescriptions delivered by the proposal. Massimiliano Delfino (*The proposal for an EU directive on adequate minimum wages and its impact on Italy*) sees a limited direct impact of the Directive on the Italian system. However, he believes that the Commission initiative has the merit to bring again at the centre of the Italian political debate the opportunity to address the issue of statutory intervention on wages.

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