



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

European Commission Legislative Work
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The first area is the labour mobility package. It contains three legislative and non-legislative initiatives and is intended to facilitate the free movement of persons within the EU by means of better coordination and social security systems, thus making citizens' rights more effective in contributing to growth and jobs. The initiatives are on communication and mobility, the coordination of social security systems, including the revision of two existing regulations, and communication and highly mobile workers.

Further information is available on two of the initiatives at this time. The first of those is the coordination of social security systems. That element of the initiative proposes the revision of two regulations related to the coordination of long-term care benefits and unemployment benefits. The coordination of social security systems in the EU has been a feature since 1971. Over time, however, changes have been made to member states' social security systems, and a number of court judgements have established precedent in the area.

The changes being made relate to the coordination of long-term care benefits. National systems for long-term care have a great deal of diversity across the EU. As a result, member states tend to coordinate them under different schemes, such as sickness benefit, family allowance or old age benefits. That variation creates difficulties for migrant workers and other insured citizens and their family members who can find themselves overprotected, in that they actually receive multiple payments, or lose entitlements as they cross member state borders. The objectives of the proposal are to ensure that EU rules do not leave citizens without any protection or do not [Inaudible.] payments, and to prevent conflicts of law.

The second change being made relates to the coordination of unemployment benefits. Minor changes are needed as a result of Court of Justice rulings and different interpretations and misunderstandings of the current regulations. The initiative is intended to deal with two issues: to reduce the risk that migrant workers remain without unemployment benefits and have less favourable conditions for reintegration into the labour market, because they have exercised their right of free movement in the EU; and to simplify and rationalise.

It will do that by facilitating reintegration of unemployed persons in the labour market; improving protection for the rights of unemployed persons who wish to seek employment abroad; simplifying the legal framework; reducing the administrative burden; and ensuring EU rules better correspond to the current socioeconomic environment. The initiative itself could contribute to promoting and facilitating the free movement of persons in the EU by updating the rules on the coordination of social security schemes in the EU.

The second initiative in the labour mobility package is a communication on highly mobile workers. In the EU, a migrant worker is generally covered by social security in the country in which they work. That is easily applied to workers who move to another member state and remain there for a number of years. However, as the legislation currently stands, it can cause some difficulties for those who move regularly between member states for employment.

The main policy objectives of the initiative are to look at the existing rules determining the social security legislation applicable to specific groups of workers with high levels of inter-EU mobility; to explain the possibilities and limits of the existing legislation and make the persons and institutions concerned aware of its flexibility; and to describe the existing tools and initiatives to support, inform or guide highly mobile workers as regards their social security protection.

It should be noted, however, that the UK Government have stated that they have reservations about the labour mobility package itself. The Government do not believe that the scope of EU rules should be extended to cover long-term care. They say that that type of benefit falls under social assistance, which is not covered by EU rules on social security coordination.

On unemployment benefit, the Government would like to maintain the status quo and only export the benefit for up to three months. The Government are concerned about changes that mean that we would have to pay more benefits than we do now.

The second legislative initiative that I will discuss is the recast and merger of three directives in the area of information for and consultation of workers. In 2013, the EU Commission completed a health check of three directives. Those were on collective redundancies, the transfer of undertakings and the general framework relating to information for and consultation of workers. The directives implement the social right to information and consultation while establishing minimum requirements. That allows member states to apply more favourable positions if they wish.

It is the intention of the recasting to address some of the issues identified in the health check. It should be noted that there is no identified road map for that initiative. As such, there is limited information on what scope it will take. However, the health check itself identified a number of gaps and shortcomings in the operations of the directives. Those include the exclusion of smaller enterprises and public administrations from the scope of the application of the directives, creating a lack of relevance for a large portion of the workforce. Seafarers are excluded from the application of the three directives. The directives have some shortcomings in their effectiveness, with a large number of companies covered by the directives not having information and consultation bodies. It is expected that the proposed recasting of the directive will tackle those issues.

Northern Ireland itself has a large public sector, and the majority of its private sector businesses are small and medium-sized enterprises (SMEs). As such, changes to the legislation may have an impact for employers and employees in Northern Ireland. However, the extent of that will not be apparent until further details become available on what scope it will take.

I am happy to answer any of the Committee's questions.

The Chairperson: In regard to unemployment benefits, is welfare reform being brought into the mix?

Mr Murphy: To the changes in social security?

The Chairperson: Yes.

Mr Murphy: I am not sure. It is generally an internal matter. Social security provision across the coordinated systems in Europe ensures that, if you are a migrant worker moving across borders, you have access to the social security system that is in place. I am not sure what effect it will have, but I can certainly look into that to see whether it has been taken into consideration.

The Chairperson: OK. I appreciate that. Anybody else? No. Thank you very much, Eoin.