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#### COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE EUROPEAN PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Mobility, an instrument for more and better jobs: The European Job Mobility Action Plan (2007-2010)

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#### 1. GENERAL POLICY CONTEXT

In a Europe with no internal borders, and competing in a global economy, the changing demands of an ageing society and a labour market in constant evolution demand much greater levels of mobility. Worker mobility is a key instrument for an efficiently functioning single market and is essential for allowing more people to find better employment, a key objective of the Lisbon Strategy<sup>1</sup>. The enlargement of the EU in 2004 and 2007 increased both the opportunities for workers to find a job, and for employers to find workers. Most of the EU-15 Member States have lifted or eased restrictions they applied for citizens from eight of the Member States which joined the EU in 2004 creating a large potential labour force to cope with the challenges of ageing and globalisation.

Workers need to be more mobile both between jobs, and between regions and Member States. They need to be given the right skills and opportunities to move frequently between jobs and to progress in their careers. This is the key aim of the commonly agreed principles on flexicurity<sup>2</sup>, a concept that can help people to manage employment transitions more successfully in times of accelerating economic change.

However, worker mobility still remains rather restricted by a number of barriers. Aside from an uncertainty over the advantages of being mobile, individuals face a number of hurdles to their movement. These can range from legal and administrative obstacles, housing costs and availability, employment of spouses and partners, portability of pensions, linguistic barriers, and issues on the acceptance of qualifications in other Member States.

# 2. LESSONS FROM THE 2002 ACTION PLAN AND 2006 EUROPEAN YEAR OF WORKERS' MOBILITY

This Communication represents a further, important step in a long line of initiatives to promote mobility. Based on a process launched in February 2001 by the Commission's Communication on the New Labour Markets<sup>3</sup>, the conclusions of the Stockholm European Council of March 2001 and the work of the High Level Task Force on Skills and Mobility, the Commission adopted in February 2002 an Action Plan for Skills and Mobility<sup>4</sup>. The Final

<sup>&</sup>lt;sup>1</sup> See Integrated Guidelines for Growth and Jobs (2005-2008), Guideline No 20.

<sup>&</sup>lt;sup>2</sup> Towards Common Principles of Flexicurity: More and better jobs through flexibility and security. COM(2007) 359 of 27.6.2007.

<sup>&</sup>lt;sup>3</sup> New European Labour Markets, Open to All, with Access for All – COM(2001) 116 of 28.2.2001.

<sup>&</sup>lt;sup>4</sup> Commission's Action Plan for Skills and Mobility – COM(2002) 72 of 13.2.2002.

Report on this Action Plan, adopted on 25 January 2007<sup>5</sup> looked at the lessons to be learnt from the plan and presented three main areas for follow-up:

- making education and training systems more responsive to the labour market and to preparing people for mobility via language learning,
- removing legal and administrative barriers and promoting the cross-border recognition of qualifications,
- and setting up a one-stop mobility information portal, based on the EURES job vacancy system.

The 2002 Action Plan also proposed the designation of 2006 as the European Year of Workers' Mobility. The debate launched during this Year, and supported by economic surveys<sup>6</sup>, illustrated clearly the variety and impact of remaining obstacles to mobility within the EU. It also argued strongly for the need to provide a favourable environment for mobility in order to allow it to become a normal practice in people's careers.

Based on the lessons and on the strong connection between worker mobility and a number of ongoing policy debates, such as flexicurity, lifelong learning, multilingualism and demographic change, the Commission launches, with this Communication, a **Job Mobility Action Plan for 2007-2010.** The aims of this Action Plan are to:

- improve existing legislation and administrative practices regarding worker mobility;
- ensure policy support for mobility from authorities at all levels;
- reinforce EURES as **the** one-stop instrument to facilitate mobility of workers and their families;
- foster awareness of the possibilities and advantages of mobility among the wider public.

# 3. INCREASING PEOPLE'S READINESS TO BE MOBILE

**Worker mobility in the EU remains relatively low**, although statistics on mobility flows or on the underlying motivations need improvement. Around 2% of working-age citizens from one of the 27 EU Member States currently live and work in another Member State. By comparison, the respective share of third-country citizens residing in the EU is almost twice as high. There does however appear to have been a gradual *increase in mobility* over recent years. The number of mobile workers within the EU-15 has increased from about 470 000 persons in 2000 to around 610 000 in 2005 (European Labour Force Survey)<sup>7</sup>. In addition, although often not included in national figures, the number of seasonal and cross-border

<sup>&</sup>lt;sup>5</sup> Final Report on the Implementation of the Commission's Action Plan for Skills and Mobility COM(2002) 72 final - COM(2007) 24 of 25.1.2007.

<sup>&</sup>lt;sup>6</sup> OECD Economic Survey 2007 – European Union, Chapter 8: "Removing obstacles to geographical labour mobility".

 <sup>&</sup>lt;sup>7</sup> The impact of the accession of new Member States is also addressed in the Commission's "Report on the Functioning of the Transitional Arrangements set out in the 2003 Accession Treaty (period 1 May 2004–30 April 2006)", COM(2006) 48 of 8.2.2006.

workers (including summer jobs for young people) may be significant and increase further the overall percentage of EU migrant workers<sup>8</sup>.

Recently surveyed **attitudes of Europeans towards mobility** also indicate people recognise the importance of worker mobility. According to a 2006 Eurobarometer survey 57% said that mobility across regions or countries is positive for European integration; 46% think it is good for labour markets and for the individual; and 40% that it is good for the economy. Furthermore 5.5% of citizens from EU-10 say that they are likely to move to another Member State in the next five years. Intentions for future mobility within Europe have increased in all Member States to varying degrees<sup>9</sup>.

Statistics also show **new trends in mobility patterns**. More young and higher-skilled workers engage in 'multi-mobility practices', - short mobile periods responding to specific needs in a professional career, a tendency illustrating that mobility is becoming more integrated into career perspectives and linked to lifelong learning. The Eurobarometer survey shows that a clear majority of young workers – over 70% – are now aware that their career will require some form of mobility.

Despite the low worker mobility rate, there is an increasingly strong case to argue that citizens are more ready to be mobile than before. A favourable context seems therefore to be in place to build on lessons learnt and to strengthen efforts to tackle barriers to mobility. The gained experiences revealed clearly the negative impact of **obstacles to geographical mobility** at the European, national, regional or local levels. In addition to legal and administrative barriers, for example in the area of social security, mobility is discouraged by practical obstacles in domains such as housing, languages, employment of spouses and partners. There are further costs to mobility for individuals, e.g. the non-recognition of mobility related experiences for career prospects, particularly within SMEs. These barriers relate to issues that need to be tackled at various levels, local, regional, national and EU wide. This action plan presents specific actions aiming to help remove obstacles at the European level and to encourage the relevant authorities to deal with the obstacles at the national, regional or local level.

# 4. CONFRONTING CHALLENGES: THE 2007-2010 JOB MOBILITY ACTION PLAN

The Lisbon Strategy and the European Employment Strategy have identified enhanced geographic and job-to-job mobility as important in creating employment and developing the employability and adaptability of the EU workforce in the context of rapidly changing labour markets. This Communication presents an Action Plan in four domains to ensure the Commission builds upon the hitherto experiences in this field. The foreseen actions are complementary to other important legislation and initiatives at Community level.<sup>10</sup>

<sup>&</sup>lt;sup>8</sup> Workers crossing borders inside the EU and the European Economic Area.

<sup>&</sup>lt;sup>9</sup> See "Long-distance mobility in Europe: Getting the balance right", European Foundation for the Improvement of Living and Working Conditions (2006) (http://www.eurofound.europa.eu/pubdocs/2006/36/en/1/ef0636en.pdf).

<sup>&</sup>lt;sup>10</sup> E.g. Directive 2005/36/EC on the mutual recognition of professional qualifications, to be implemented by 20.10.2007, the Single Market Review, the implementation of directive 2006/123/EC on Services in the Internal Market, due to be implemented before the end of 2009; the eGovernment Action Plan COMM (2006)173 on the use of ICT for modernising government services, also in their trans-national dimension; the ongoing implementation of the "Council Directive 2005/71/EC on a specific procedure for admitting third-country nationals for the purposes of scientific research.

# 4.1. Improving existing legislation and administrative practices

An important instrument for promoting worker mobility within the EU is the Community legislation on the coordination of social security schemes, currently laid down in Regulation (EEC) No 1408/71<sup>11</sup> and its Implementing Regulation (EEC) No 574/72<sup>12</sup>. These rules are designed to ensure that EU migrant workers who make use of their Community right to freedom of movement do not face a loss of social security protection.

The Regulations have proven to be a successful instrument in achieving this objective. However, new forms of mobility (shorter periods, varying statuses, multi-mobility practices) can make their application problematic. For example, a mobile worker, who frequently works on short-term contracts in different Member States, could be faced with a number different social security schemes.<sup>13</sup> It is therefore time to look at whether there is a need to develop new instruments better suited to the needs of mobile workers and the companies that employ them. These instruments are also to be seen as a significant part of an emerging agenda for opportunities, access and solidarity<sup>14</sup>.

The Commission will consider whether there is a need to **adapt Community legislation** on social security coordination and the administrative practices developed on the basis thereof. Following an inventory of the problems that can arise under the current legislation<sup>15</sup>, a consultation with stakeholders<sup>16</sup>, a systematic investigation will be conducted at the beginning of 2008 on the scope and characteristics of the new mobility patterns. On the basis of the outcome of the consultation process, the Commission will take a decision in the second half of 2009, accompanied by a thorough impact evaluation, on whether there is a need to adapt administrative practices or the rules themselves.

This investigation will be conducted in the framework of TRESS (Training and Reporting in European Social Security), a Commission-funded network of national experts on social security matters. The Commission intends to **strengthen the status and analytical capacity of the TRESS network** by proposing to include a specific provision in Regulation (EC) No 883/2004. The activities of the network would then be focused on three main tasks:

to enhance the knowledge of Community regulations among specific groups of stakeholders (civil servants, lawyers, judges, trade unions);

- to publish regular reports on the application of social security regulations within Member States;
- and to provide expert advice on the evolution of existing regulations and practices in order to meet the changing needs of EU migrant workers.

<sup>&</sup>lt;sup>11</sup> OJ L 149, 05.07.1971, as last amended by Regulation (EC) No 1992/2006 (OJ L 392, 30.12.2006).

<sup>&</sup>lt;sup>12</sup> OJ L 74, 27.03.1972, as last amended by Regulation (EC) No 311/2007 of 19.03.2007 (OJ L 82, 23.03.2007).

<sup>&</sup>lt;sup>13</sup> Provided that the worker is not posted, in which case he would continue to be subject to the national social security rules of the Member State where he is employed. Another category that deserves special attention consists of those working in international road and air transport.

 <sup>&</sup>lt;sup>14</sup> COM(2006) 211 of 10.05.2006: "A Citizens' Agenda Delivering Results for Europe", COM(2007) 726 of 20.11.2007: "Opportunities, access and solidarity: towards a Social Vision for 21.Century Europe".
<sup>15</sup> Deceder and experimentation of the statistical sector of a social vision for 21.Century Europe".

<sup>&</sup>lt;sup>15</sup> Based on a questionnaire sent to all stakeholders (institutions and social partners) in June 2007.

<sup>&</sup>lt;sup>16</sup> Including the Administrative Commission on Social Security for Migrant Workers as well as the Advisory Committees on Social Security and on Free Movement of Workers.

The protection of rights to supplementary pensions can also have a significant influence on worker mobility decisions. In 2005 the Commission presented a proposal for a Directive aimed at reducing obstacles to mobility by improving the portability of supplementary pensions<sup>17.</sup> Following discussions on the content and scope of the proposed Directive in the Council and the European Parliament, the Commission has brought forward an amended proposal, focused on minimum requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights and containing a commitment to regularly review the progress by which Member States improve the portability of supplementary pensions<sup>18</sup>.

In addition, the Commission will intensify the streamlining of administrative practices and administrative cooperation between national institutions and authorities. In 2009, when the new Regulation (EC) No 883/2004 is expected to become applicable<sup>19</sup>, the administrative exchange of information between national institutions for the coordination of social security matters should become fully electronic<sup>20</sup>. This will allow online consultation and exchange of information, as well as the introduction of an electronic version of the European Health Insurance Card<sup>21</sup>, considerably reducing the time taken to process EU migrant workers' social security claims.

#### Actions

The Commission will:

1. Examine whether Regulation (EC) No 883/2004, its' Implementing Regulation and related administrative practices need adapting to take account for changing patterns of worker mobility.

2. Propose the inclusion of a new provision in Regulation (EC) No 883/2004 formalising the status and analytical capacity of the TRESS network of independent experts in order to strengthen existing expertise in the area of social security coordination at European level.

3. Intensify the streamlining of national administrative practices and cooperation, in particular through electronic consultation and exchange of information, and the launch of an electronic version of the European Health Insurance Card.

4. Follow up its 2005 proposal and its 2007 amended proposal for a Directive on minimum requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights.

<sup>&</sup>lt;sup>17</sup> Implementing the Community Lisbon Programme: proposal for a Directive of the European Parliament and of the Council on improving the portability of supplementary pension rights – COM(2005) 507 of 30.11.2005.

<sup>&</sup>lt;sup>18</sup> Amended proposal for a Directive of the European Parliament and of the Council on <u>minimum</u> requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights, COM(2007) 603 of 9.10.2007.

<sup>&</sup>lt;sup>19</sup> This Regulation will replace the current Regulation (EEC) No 1408/71.

<sup>&</sup>lt;sup>20</sup> Subject to the transitional provisions that Member States may agree in the Council.

<sup>&</sup>lt;sup>21</sup> Implementation will be gradual and flexible. See COM(2003) 73 of 2.2.2003.

# 4.2. Ensuring policy support for mobility from authorities at all levels

Member States play an important role in demonstrating the benefits of geographic and job-tojob mobility for the individual and the economy as a whole. Such mobility is a key instrument for the successful implementation of the Lisbon Strategy, and in particular by developing a flexicurity-based approach to dealing with modern labour market challenges.

Mobility should be encouraged through national employment strategies and lifelong learning schemes that develop, amongst other factors, vocational skills as well as language and intercultural skills. Member States are encouraged to implement the European Qualifications Framework and develop Europass<sup>22</sup>, which will make qualifications more readable to employers and so facilitate job mobility. Concerted action with social partners, local and regional authorities, learning and training centres, and civil society should address practical obstacles to mobility. This should be developed whilst ensuring the concept of "fair mobility", particularly fighting undeclared work and social dumping, which is to ensure that labour standards and legal requirements are always fully respected. To promote this, and based on the success of initiatives launched in the context of the 2006 European Year, the Commission will establish an inventory of existing mobility schemes at national, regional or local level. It will encourage Member states to include such schemes in their plans elaborating the Cohesion Policy, to stimulate cross-border co-operation for job opportunities and common infrastructures. It will also examine the possibility of developing appropriate mechanisms to encourage worker mobility based on the positive experiences from existing European schemes, such as the Leonardo da Vinci and Marie Curie Programmes.

Actions

The Commission will:

5. Encourage Member States to include geographic and job-to-job mobility as a priority in their national employment and lifelong learning strategies.

6. Encourage authorities at regional and local levels, and other relevant stakeholders, to remove remaining practical obstacles to mobility and to promote the concept of "fair mobility", namely by fighting undeclared work and social dumping.

7. Encourage Member States to learn from good practice through mutual learning schemes for the mobility actions, financed from EU Cohesion Policy, in particular the schemes made possible by the European Social Fund. Establish an inventory of existing financial support schemes and examine the possibility of developing European mobility schemes.

8. Support the implementation of the European Qualifications Framework, develop Europass, and give appropriate follow-up to upcoming initiatives on credit transfer in vocational education and training (ECVET).

<sup>&</sup>lt;sup>22</sup> The European Qualifications Framework (EQF) is a voluntary reference framework. Member States will be recommended to relate their qualifications systems to it by 2010 and that their individual qualifications bear an EQF reference from 2012.

# 4.3. Reinforcing EURES

Created in 1993 to facilitate the free movement of workers, EURES (European Employment Services) is an important instrument for strengthening the labour market infrastructure at national and EU level<sup>23</sup>. Designed as a one-stop instrument to facilitate the mobility of workers and their families, EURES is a unique Community service that combines a well qualified human network of 750 advisors with a powerful Internet portal enabling access to over one million vacancies. Since 2006 all vacancies from EU and EEA national public employment services have been accessible on the EURES portal in 25 European languages. The network of EURES advisors provides for personalised assistance to EU migrant workers and their families in all matters related to their mobility experience. It works in cooperation with other Community services, including general and specific information and problemsolving services for citizens and businesses such as EUlisses on social security, PLOTEUS portal on learning opportunities, Eurodesk, ERYICA, Europe Direct, Your Europe, Citizens' Signpost Service, Europass, national contact points for professional recognition of qualifications, ERA-MORE, the European Researchers' Mobility Portal and SOLVIT, etc.

The third strand of the 2007-2010 Job Mobility Action Plan aims to significantly **reinforce the services provided by EURES**, pursuing three new objectives<sup>24</sup>:

- to enhance its strategic dimension, by reinforcing its analytical potential as regards mobility flows and changes in the labour market;
- to enhance the scope and quality of its services by assisting EU mobile workers and their families in all matters dealing with their mobility experience;
- to increase its operational coverage by reinforcing its relations with other, in particular private, providers of similar services and, in line with the Policy Plan on Legal Migration, gradually opening up its activities to workers from other parts of the world, in particular the Candidate Countries<sup>25</sup>.

# Actions

EURES will:

9. Significantly improve the provision of information and raise awareness on the principle of equal treatment and the respect of labour standards within the European labour markets via its portal and advisors' services.

10. Enhance its services to meet the needs of specific categories of workers (long-term unemployed, young workers<sup>26</sup>, older workers, women, researchers, self-employed workers, seasonal workers). The network will support individuals in preparing a full career plan,

<sup>&</sup>lt;sup>23</sup> Council Decision 2005/600/EC of 12 July 2005 on Guidelines for the employment policies of the Member States (OJ L 205, 6.8.2005).

All planned developments in this area will be in line with the 2007-2010 EURES Guidelines, which were approved in June 2006.

<sup>&</sup>lt;sup>25</sup> COM(2005) 669 of 21.12.2005; planned Immigration Portal for third-country nationals http://ec.europa.eu/justice\_home/funding/tenders/2007\_S158\_196406/specifications\_en.pdf

<sup>&</sup>lt;sup>26</sup> Proposed in COM(2007) 498 of 5.9.2007 on "Promoting young people's full participation in education, employment and society".

including their reintegration into the labour market upon their return.

11. Significantly increase the collection of strategic information, in particular on mobility flows. Synergies with other networks and information providers will be reinforced and cross-border cooperation schemes established, including new activities and partnerships between Member States.

12. Where relevant, be expanded to the benefits of third country nationals including those who have not yet acquired long term resident status. As a first step, information will be provided on the rules and procedures for entering the EU labour market and on the demand for specific types of workers within these markets.

# 4.4. Fostering awareness of the advantages of mobility

The development of a genuine mobility strategy for workers in the EU can only be effective if it builds on the active support of all stakeholders. Some citizens still need to be better informed of their rights regarding free movement and be convinced of the benefits of mobility for their professional career. The fourth strand of the Communication will promote **innovative awareness-raising activities, the exchange of information and good practice.** 

# Actions

The Commission will:

13. Organise annual 'European Job Days' to improve public awareness of workers' rights and the benefits of mobility, and step up the exchange of information and best practices among all stakeholders.

14. Launch the 'European Job Mobility Partnership', an initiative hosting a network of stakeholders committed to developing job mobility in the EU.

15. Earmark, within the PROGRESS Programme, support for the financing of pilot activities, exchange of good practices, disseminating results on new developments and the emergence of innovative schemes.

# 5. CONCLUSION

Labour market mobility either between jobs or between Member States or regions is an essential part of the Lisbon objectives. It is an important component of Europe's response to demographic change and globalisation. This Communication aims to present a more integrated approach to worker mobility as a means both to create employment and to help individual personal development. It serves as a reminder that EU citizens have a fundamental right to move freely in the EEA for work purposes, and it encourages stakeholders to ensure that people are aware of this right and that they can exercise it under good conditions.

To better understand the mobility decision and the barriers facing an individual it is also important that the Commission further improves its factual knowledge of mobility, including data collection. The Commission will also pay close attention to the labour mobility to meet its commitments and obligations resulting from the 2003 and 2005 Accession Treaties.

The Commission will monitor progress of the actions outlined in this Communication through studies and surveys conducted at European, national or regional level, and including Eurobarometer surveys on the evolution of citizens' attitudes and practices relating to job mobility. An interim report on the implementation of this Communication will be published in 2009.