Brussels, 11 June 2021

To: EU Ministers responsible for Employment and Social Affairs

Subject: Open letter on Adequate Minimum Wages in the EU

Dear Ministers,

On 7 May, EU Heads of State and Government, EU institutions, social partners and Social Platform gathered at the Social Summit to sign the Porto Social Commitment and to jointly commit to the full and ambitious implementation of the European Pillar of Social Rights and its Action Plan.

At the EPSCO Council meeting on 14 June, you will discuss the European Commission's proposed Directive on Adequate Minimum Wages in the EU. We hereby urge you to start delivering on the commitments made at the Porto Social Summit and to demonstrate your full political support of the proposed Directive.

Adequate minimum wages are key to ensure decent working and living conditions, help prevent and curb in-work poverty, reduce precarious employment, and strengthen full participation and inclusion in society. Yet, for many people work no longer pays enough to provide viable protection against poverty. In 2019, 9% of all workers in the EU were living at risk of poverty despite being in employment - this amounts to 17.5 million people, with higher shares of younger workers, migrant workers, workers from ethnic minorities or with disabilities, and women in low-paid jobs or sectors. People affected now will also feel the cumulative effect of low contributions to pensions in their later life.

Moreover, in-work poverty is expected to have increased significantly due to the socio-economic consequences of the COVID-19 pandemic, which continues to have a devastating impact on people's lives and incomes, especially for groups in vulnerable situations. The pandemic highlighted the importance of adequate minimum wages for social stability in Europe, making the need for courageous and decisive action even more urgent.

Ahead of your deliberations, we call on you to consider the following key elements of the proposed Directive, which are crucial to ensure that all workers in the EU receive an adequate minimum wage[1]:

- **On the adequacy of minimum wages:** we strongly recommend setting national minimum wages at least at the threshold of 60% of the gross median wage and 50% of the gross average wage. This benchmark must be regularly tested and updated by checking the actual purchasing power against the cost of goods and services in each Member State.

[1] All key messages can be found in Social Platform's position paper.

- **On equality and non-discrimination:** minimum wages must be set and applied in a non-discriminatory way. No variations or deductions on any grounds should be applied. Minimum wages must also give full and adequate access to contributory social protection entitlements.

- **On the application of minimum wages:** minimum wages must apply across all sectors of the economy, all categories of workers and all forms of employment to prevent an increase in labour exploitation and wage inequality.

- **On collective bargaining:** social dialogue and collective bargaining must be protected, promoted and strengthened, in particular sectoral and cross-sectoral collective bargaining.

- **On civil society involvement:** civil society has an important role to play as they work closely with people underrepresented by traditional social partners. EU action on minimum wages must therefore be accompanied by structural and meaningful civil dialogue in all Member States.

This is the time to act and to demonstrate your commitment to building a more resilient, socially just and inclusive Europe that leaves no one behind.

Yours sincerely,



Piotr Sadowski
President of Social Platform

Social Platform is the largest network of civil society organisations in the European Union advocating for a social Europe. It is driven by a membership of European federations united in the fight for social justice, equality between all people, inclusion, sustainability and participatory democracy in the EU and beyond.Social Platform acknowledges the financial support of the European Commission's 'Europe for Citizens' programme, managed by the Education, Audiovisual and Culture Executive Agency (EACEA).

Square du Meeûs 18 | Ixelles, B-1050 | Brussels | Belgium | www.socialplatform.org