TOWARDS A EUROPEAN LIVING WAGE? - ON THE UPRATING OF MINIMUM WAGES IN EUROPE

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11th Annual TURI Conference
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European Parliament Election Campaign

European Minimum Wage is back on the agenda

Socialists plan EU-wide minimum wage if they win control of European Commission

Control of the European Commission is in the grasp of the continent's centre-left for the first time in decades

Di Maio lancia salario minimo europeo

Entre «bouclier social» et «salaire minimum européen», de quoi parle Emmanuel Macron?

Le socialiste Frans Timmermans pour un salaire minimum européen

Jeremy Corbyn suggests EU-wide minimum wage to give British workers a 'level playing field'
European Parliament Election Campaign (2014)
European Minimum Wage is back on the agenda

Deja vu ???
Only election talk ???

Juncker argues in favour of instigating EU minimum wage

Wednesday, 29 January 2014 16:40

Jean-Claude Juncker demands the salary minimum European

Juncker will einen europaweiten Mindestlohn

Noch fünf Wochen bis zur Europawahl – und langsam gehen die Politikversprechen los. Ausgerechnet der Spitzenkandidat der Konservativen fordert einen europaweiten Mindestlohn „Gleicher Lohn für gleiche Arbeit.“

Veröffentlicht am 20. April 2014 von Eurojournalist.de in Europa / 1 Kommentar

Juncker Says Euro-Area Countries Need Common Minimum Wage

Jonathan Stearns
10. Januar 2013, 12:08 MEZ
The German Minister of Labour announced the preparation of a European minimum wage initiative to be launched during the German EU-Presidency in 2020.

Or is it this time different???
It is not clear yet, if the German Labour Minister will succeed ??
Right to Living Wages according to the European Pillar of Social Rights

Principle No. 6: Wages

„Workers have the right to fair wages that provide for a decent standard of living.

Adequate minimum wages shall be ensured, in a way that provide for the satisfaction of the needs of the worker and his / her family … In-work poverty shall be prevented.‘‘
National Minimum Wages in the EU in Euro per Hour: April 2019

Source: WSI Minimum Wage Database 2019
The Uprating of Minimum Wages – a (Global) European Trend?
Living Wages in the US

1990s and 2000s:
Increasing number of local and regional Living Wage Initiatives

2010s:
Fight for Fifteen Campaign

Results:
- **15 $** as the new norm
- Many federal States and big cities saw strong minimum wage increases
- **12 $** almost the average minimum wage

MW = 7.25 $ → 15 $: **107 %**

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The New York Times

The Upshot

**Americans Are Seeing Highest Minimum Wage in History (Without Federal Help)**

Because of a string of moves by states and cities in recent years, the effective average is almost at $12 an hour.

By Ernie Todeschi

April 24, 2019
Current Increase of the Minimum Wage in Spain

• 1 January 2019: Increase 22% from 4.46 to 5.45 € per hour

• Largest increase for 40 years

• Aim: Minimum Wage of 60% of the average wage according to the European Social Charter of the Council of Europe
Increase of the National Living Wage to 60% of the Median Wage until 2020

Increase of the National Living Wage to £10 (€11.70); Minimum Wage should correspond to the Real Living Wage

MW = 8.21 £ → 10 £ : 22%
Living Wages in the Ireland

2018 RATE

LIVING WAGE
€ 11.90
PER HOUR
IRELAND

MINIMUM WAGE
€ 9.55
PER HOUR
IRELAND

MW = 9,80 € → 11,90 € : 21 %
The Slovak Prime Minister Pellegrini on the recent minimum wage (2018): “With this step, we will continue the dynamic increase in the minimum wage, with the aim of raising it so that it will amount to at least 60% of the average wage of the national economy”.
Opinion poll 02/2019:
80% is in favour to increase the Minimum Wage to 12 Euro
≈ 60% of the Median Wage

MW = 9.19 € → 12 €: 31 %
Living Wages in Europe
Belgian and Dutch Unions demand 14 Euro

Belgium: Campaign of FGTB

Netherlands: Campaign of FNV

Draft Bill of Parti Socialiste
Le PS propose un salaire minimum de 14 €/heure

MW = 9,66 € → 14 €: 45 %

MW = 9,91 € → 14 €: 41 %
Living Wages in Europe: Austrian Unions: 1,700 Euro per months

Coordination of the lowest wages in collective agreements by a **national minimum wage target**

Current Demand:
Increase of all wages in collective agreements to 1,700 Euro per Month (per hour 10,06/11,74 Euro)

MW = 1,500 € → 1,700 €: 12 %
Living Wages in Europe: National Campaigns for higher Minimum Wages

MW = 8,21 £ → 10 £: 22 %

MW = 9,80 € → 11,90 €: 21 %

MW = 9,19 € → 12 €: 31 %

MW = 9,66 € → 14 €: 45 %

MW = 9,91 € → 14 €: 41 %

MW = 1,500 € → 1,700 €: 12 %

MW = 7,25 $ → 15 $: 107 %
Minimum Wages in % of Median Wages 2000-2017

Non-weighted average in the European Union

Quelle: OECD
Minimum Wages in % of Median Wages 2017

- France: 62%
- Portugal: 61%
- Romania: 60%
- Slovenia: 58%
- Poland: 54%
- United Kingdom: 54%
- Lithuania: 54%
- Hungary: 53%
- Luxembourg: 53%
- Greece: 48%
- Latvia: 48%
- Slovakia: 48%
- Germany: 48%
- Belgium: 47%
- Netherlands: 47%
- Ireland: 46%
- Estonia: 41%
- Spain: 40%
- Czech Rep.: 35%
Most Countries are below the 60% Threshold !!!
ETUC Resolution (2017):
For a common strategy on low and minimum wages

Minimum Wages should be **Living Wages**

**Reference value:**
No less than *60%* of the national **median** or **average** wage
Hard or Soft Law?

Soft Coordination:
- Recommendations and Monitoring through the European Semester
- **Problem:** Limited effectiveness, legally not binding

Binding Coordination:
- **European Minimum Wage Directive**
- **Problem:** Legally problematic because of the regulatory barrier according to Art. 153 (5) TFEU
Further Information: Regular Monitoring of Wages & Collective Bargaining by ETUI and WSI

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