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DRAFT STATEMENT OF THE COUNCIL'S REASONS

Subject: Position of the Council at first reading with a view to the adoption of a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on European Union labour market statistics on businesses, repealing Council Regulation (EC) No 530/1999 and Regulations (EC) No 450/2003 and (EC) No 453/2008 of the European Parliament and of the Council

- Draft Statement of the Council's reasons

I. INTRODUCTION

1. The Commission submitted its proposal for a Regulation on European Union labour market statistics on businesses, repealing Council Regulation (EC) No 530/1999 and Regulations (EC) No 450/2003 and (EC) No 453/2008 of the European Parliament and of the Council[1], on 28 July 2023.

2. This proposal regards statistics on earnings, labour costs, the gender pay gap and job vacancies in the EU which the European Statistical System publishes regularly and aims at making statistics more comparable across Member States while ensuring annual collection of data on gender pay gap.

[1] 12258/23 + ADD 1-4

3. The proposal and the relevant impact assessment were presented at the meeting of the Working Party on Statistics on 22 November 2023. The Working Party on Statistics continued examining the proposal on 5 December 2023 as well as on 11 and 31 January 2024.

4. On 28 February 2024 the Committee of Permanent Representatives (Part I) agreed on the negotiating mandate as set out in document 6097/24;

5. The Rapporteur's (Ms Irene Tinagli) report was adopted on 22 February 2024 by the European Parliament ECON Committee and approved as the negotiating mandate for the Parliament with a favourable vote in the Plenary on 22 February 2024. On 24 April 2024, the Plenary voted on its position at First Reading. The Parliament's position at First Reading consists of the Rapporteur's report and four additional amendments introduced by the EMPL Committee (associated committee for this file).

6. The first trilogue took place on 21 November 2024 under the Hungarian Presidency.

7. In its meeting on 11 December 2024, Coreper approved a revised mandate.[2]

8. At the second trilogue, on 12 December 2024, the negotiating teams of the Council and the Parliament reached a provisional agreement.

9. On 18 December 2024, the Permanent Representatives Committee (Part I) analysed the final compromise text with a view to agreement and confirmed it.[3]

10. On 16 January 2025, the European Parliament's Committee on Economic and Monetary Affairs (ECON Committee) confirmed the political agreement, and on 17 January 2025 the ECON Chair sent a letter to the Chair of the Permanent Representatives Committee confirming that, should the Council approve the Regulation at first reading, after legal-linguistic revision, the Parliament would approve the Council's position in its second reading.

[2] 16689/24
[3] 16821/24

II. ANALYSIS OF THE COUNCIL'S POSITION AT FIRST READING

11. The European Parliament and the Council conducted negotiations with the aim of concluding an agreement on the basis of a position of the Council at first reading that the Parliament could approve without amendments at its second reading. The text of the Council Position at first reading fully reflects the compromise reached between the two co-legislators, assisted by the European Commission.

12. Data on minimum wages and collective bargaining in connection to the Directive on Minimum Wages are to be drawn from the currently available data. Eurostat can calculate the coverage of collective pay agreements and the share of workers covered by a minimum wage using data already provided by the National Statistical Authorities.

13. A reference on gender pay gap was added in recitals specifying that Eurostat can compile the total annual and monthly earnings for male and female employees using data from the Structure of Earnings Survey.

14. A definition on "social enterprises" was added but feasibility and pilot studies are needed with a view to develop a methodology which can produce accurate data based on the available classifications in the business register. A definition on "gender pay gap" was also introduced in the text.

15. Explanation was added in the recitals to describe the concept of "privately held data". The recitals also include a reference on back data underlining its importance.

16. The quality reporting will be complemented by guidance that Eurostat will provide on the quality assessment of data sources.

17. A provision was added under Article 3 "Sources and methods" ensuring access to personal data held by private data holders, for the purposes of Labour Market statistics on Business.

18. Principle-based safeguards were added in relation to the delegated and implementing acts of Article 4. Those safeguards include clear references to the need to avoid additional burden on the respondents and to the necessity for EU-financed feasibility or pilot studies which would have to be carried out before any delegated or implementing act would be proposed. In order to ensure the timely implementation of the Structure of Earnings Survey, for the reference year of 2026, a provision was added pursuant to which the relevant implementing act shall be adopted before 1 September 2025.

19. The periodicity, the reference periods and the transmission deadlines of detailed topics already included in the Annex will not be amended via a delegated act. Delegated acts may set the abovementioned parameters only for new detailed topics.

20. As regards the geographical breakdowns set out in implementing acts, these cannot go below NUTS1 level.

21. To underline the importance on reducing response burden, a reference was added in the recitals urging the Commission to regularly review the use and usability of data and discontinue variables and detailed topics when they are no longer needed.

22. Article 7 regarding “Ad-hoc data requirements” was deleted but a delegated and an implementing act, dedicated particularly to temporary production of data, were included under Article 4. The temporary nature of these delegated or implementing acts is further specified with a provision foreseeing that information to be provided by Member States will not exceed the period of three reference years.

23. A reference to mandatory financing from the Single Market Programme is included, complemented with a reference to the possibility to use funding from the general budget of the EU. The Union’s financial contribution was retained at 90% as foreseen in the initial proposal from the Commission.

24. Derogations were linked to periodicities. A four-year derogation will apply to multi-annual data collections, a two-year derogation to annual periodicities while a one-year derogation will apply to quarterly data collections. In justified cases, the Commission may grant a further derogation of one more year independently from the periodicity.

25. Due to the fact that this Regulation will be adopted later than initially foreseen, a number of first reference periods were changed from 2026 to 2027. One of these changes concerns the data regarding the gender pay gap. For the same reason, the dates of repealing Regulations (EC) No 450/2003 and (EC) No 453/2008 were also changed from 2026 to 2027.

26. The quarterly indexes of total labour cost and of hours worked will be provided on a voluntary basis.

III. CONCLUSION

27. The Council's Position at first reading fully reflects the compromise reached in the negotiations between the European Parliament and the Council, facilitated by the Commission.

28. This compromise is confirmed by the letter that the Chair of the ECON Committee addressed to the Chair of the Permanent Representatives Committee on 17 January 2025. In that letter, the Chair of the ECON Committee indicates that she will recommend to the members of the Committee, and subsequently to the plenary, that they accept the Council's position at first reading without amendments in the Parliament's second reading, subject to verification by the lawyer-linguists of both institutions.