

EMN Ad-Hoc Query on Economic Migration Policy regarding Low Skilled Workers - Part 2

Requested by Anne SHERIDAN on 21st February 2018

Economic Migration

Responses from Austria, Belgium, Croatia, Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Slovak Republic, Sweden, United Kingdom, Norway (22 in total)

Disclaimer:

The following responses have been provided primarily for the purpose of information exchange among EMN NCPs in the framework of the EMN. The contributing EMN NCPs have provided, to the best of their knowledge, information that is up-to-date, objective and reliable. Note, however, that the information provided does not necessarily represent the official policy of an EMN NCPs' Member State.



Background information:

Ireland operates a managed employment permits system (permission granted to third country nationals to work) which maximises the benefits of economic migration while minimising the risk of disrupting Ireland's labour market. The focus of the employment permits regime in recent years has been to ensure that the skills requirements of enterprise in the State can be met through economic migration where necessary.

However, as the State approaches full employment, labour as well as skills needs, are beginning to manifest and the State is being pressed to open up the employment permit regime to lower skilled workers, on wage levels at or just above the national minimum wage, in certain sectors such as health care, agriculture and hospitality.

While there is some anecdotal evidence of a tightening labour market in some sectors, the fact remains that there are 238,000 unemployed in Ireland, and with a potential pool of 18 million unemployed in the EU 28.

Thus, we need to be prudent in considering whether to open up the labour market to unskilled non-EEA workers; on the one hand we need to ensure that labour shortages in key sectors do not stall economic growth; on the other, we need to ensure the Irish labour market is not disrupted.

Thus, it is timely that a review of the policies underpinning the current employment permits regime be undertaken in order to ensure that it is fully supportive of Ireland's emerging labour market needs, be they skills or labour shortages in certain sectors.

We would be very grateful for information on the following questions by 21 March 2018.

Questions

- 1. Is a minimum wage standard applied for low skilled migrant workers?
- 2. If yes, what is the minimum wage level for a low skilled migrant worker?
- 3. Does your country have a national minimum wage level that is applied generally in your country?
- 4. 4. If the wage level for a low skilled migrant worker differs from your country's national minimum wage level, how is that wage level established?
- 5. Is the minimum wage level for low skilled migrant workers in your country set at a level for the workers to normally cover all their basic social care needs (e.g. education, health, housing) and those of their dependents, or do you provide access to additional State supports?
- 6. 6. Please provide any other relevant information.

Responses

Country	Wider Dissemination	Response
Austria		1. See response to question 3. 2. See response to question 3. 3. Regarding 13. In Austria, there is no minimum wage and thus no national minimum wage level. The remuneration of employees in the private sector is predominantly regulated on basis of collective agreements. Special provisions for migrant workers do not exist. In other words, they are integrated into the Austrian collective agreement system just like domestic employees and have the same legal rights. The actual remuneration of a migrant worker depends on the one hand on the branch in which he / she works and on the other hand on his / her work or training, respectively. Collective agreements are arrangements that are concluded between employers' public corporations legally capable of concluding collective agreements and employees. Collective agreements regulate primarily the mutual rights and obligations arising from the employment contract. A key point of these regulations is the remuneration. Due to the mandatory effect of the collective agreements, these become directly legally binding for the individual employment contract. They are indispensable minimum standards, which must not fall below, even with the approval of the employee. That also applies for the remuneration. A special feature of the Austrian collective agreement system ensures that all employees of an economic sector are covered by collective agreements. This special feature is that on the employers' side the vast majority of all collective agreements is concluded by their legal interest groups (chambers), whereas on workers' side the Austrian Federation of Trade Union – a voluntary advocacy – occupies a dominant position. By operation of law all employers in a particular economic sector are members of the employers' chambers, so that if a chamber is a partner of a collective agreement on the employers in that sector are collectively bound. In addition, the legal effects of the collective agreement not only apply to those employees who belong to the concluding professional union

dependent employed persons are subject to the provisions of a collective agreement (the rest are mostly civil servants with statutory provisions). Thus, a large proportion of the workforce (about 95%) is covered by collective agreements. The collective agreement negotiations take place at branch level. As a result, it is possible to respond flexibly to the respective economic and social conditions, such as increase in productivity in the branch concerned and higher living costs. Wage agreements are usually concluded annually, allowing the adaption of income development to changes in the frame conditions. It is therefore the responsibility of the social partners to ensure that the economic development of the companies and businesses of a branch is taken into account and at the same time the employees receive their due share of the production growth, with which the socio-political goals of securing livelihoods and increasing prosperity for all can be accommodated. --- Source: Ministry of the Interior

- **4.** See response to question 6.
- **5.** See response to question 6.
- 6. Regarding 4.-6. The remuneration level of the respective branches is determined by the collective agreements that are to be applied. These contain remuneration schemes with different remuneration categories. Central to the classification into these remuneration categories is the activity of the employee, since the added value for the employer rises from it and is thus the employer's actual motivation for starting the employment contract. The classification therefore generally depends on the characteristics of the job, the content of the work and the actual work that is predominantly performed. Besides the activity of the employee, collective agreements may as a prerequisite for the classification also focus on the (relevant) training or on a formal function of the employee in the business that is independent from the actual field of activity. In a number of branches with generally low wage levels (such as the textile industry), the collective agreement parties have agreed to raise the remuneration in the lowest remuneration stage to € 1,500 gross / month following multiannual step plans. However, the remuneration level of many branches is above this amount. Companies not based in Austria that post or hire-out workers to Austria according to the Posting of Workers Directive are obliged to pay at least the minimum wage applicable in Austria for comparable employees. --- Source: Ministry of the Interior

Belgium	No	
Croatia	Yes	 No. N/A Yes. The level is set annually by the Government and published in the Official Gazette. The minimum gross wage in 2018 in the Republic of Croatia is HRK 3.439,80 (approximately EUR 460.00). The wage level for a low skilled migrant worker does not differ from national minimum wage level. N/A As a general rule, work permits are being issued on the basis of an annual quota (there are exceptions, mostly related to highly skilled workers, scientists and key employees). The decision on the annual quota of permits is adopted by the Government of the Republic of Croatia and published in the Croatian Official Gazette. Low skilled migrant workers (e.g. shepherds) are usually offered accommodation and meals for free or for a small fee, organised by employer.
Czech Republic	Yes	 Yes The minimum wage is 470 EUR per month. Yes N/A Minimum wage should be sufficient for a single labour migrant. A low skilled labour migrant earning minimum wage typically lives in a dormitory and does not have many expenses. He/she is usually unable to reunify with his/her family members unless his/her salary is increased or his/her

			partner comes to the Czech Republic as a labour migrant as well. The Czech Republic requires that the sponsor has sufficient income for all his family members applying for admission. Reunified families of migrants are later entitled to state social support benefits (e.g. child allowance or housing allowance). 6. N/A
	Estonia	Yes	 Yes. Only for seasonal workers (equal to the national minimum wage level). Starting from January 1, 2018, the minimum hourly rate is 2,97 €and the minimum monthly salary for full-time employment is 500 € The government has a right to establish the minimum wage corresponding to a specific unit of time. Yes. See point 2. No. Estonia does not distinguish low-skilled or highly skilled workers (exempt of EU Blue Card) and exemptions are made for specific categories (e.g seasonal workers). Generally, requirement is that an employer is obliged to pay a foreigner a remuneration in the amount equal to at least the annual average gross monthly salary, so that the workers can cover all of their basic social care needs. Additional state supports are not provided, however the workers have access to social services provided by the state. There are some exemptions from requirement of the general average monthly brutto salary, for instance teachers, lectures, coaches, etc as well as seasonal workers.
+	Finland	Yes	 Yes. Minimum wage levels are set by collective agreements in the different sectors.

		 3. Yes, please see response to Q.2. 4. The wage level for migrant workers does not differ from the general national minimum wage level. 5. Yes, the minimum wage level is meant to cover for all the basic needs. If a TCN with a residence permit for work has dependents that apply for family reunification, the sponsor has to be able to support them with his/her wages in order for them to be granted a residence permit. 6. N/a
France	Yes	 Minimum wage standard is the same for all workers, French, European citizens as well as TCNs. The minimum wage level is 9,88 €hour (gross income), representing a 1383,20€monthly gross in-come. Yes. N/A. The national minimum wage is calculated in order to grant employees' purchasing power. Thus, specific additional State supports to low skilled migrant workers are not provided. N/A.
Germany	Yes	 Yes. A general statutory minimum wage was introduced in Germany on 1 January 2015. Since this date, all persons employed in Germany, irrespective of their qualifications or nationality, have had

			a legal entitlement to a minimum wage, which currently stands at 8.84 euros gross per actual hour of work 3. Yes, see answer to previous questions. 4. The general statutory minimum wage thus also applies for low-qualified workers from third countries. This only constitutes the bottom pay limit, however, as the Federal Employment Agency can only approve employment when third-country nationals are not employed under less favourable conditions than comparable German workers. Assessment of the work conditions covers the key conditions pertaining to an employment contract. Pay is a particularly important aspect here, along with arrangements concerning working hours, holiday entitlements and similar. In the course of verifying comparability, it is first of all established whether the third-country worker must be granted employment terms in accordance with collective agreements. This is the case when • the employer is bound by collective agreement and the foreign worker is a member of a trade union and thus also bound by collective agreement or • the individual employment contract cites a collective agreement or • a generally binding collective agreement is applicable. Where no collective agreement applies, the Federal Employment Agency is required to establish whether a minimum wage for the specific industry concerned applies. If this is not the case either, the customary local wage for comparable work by German employees must be paid. 5. Issuance of a residence title for the purpose of employment is conditional on the foreign worker's livelihood being secure, i.e. on the foreign worker being able to support himself or herself, including adequate health insurance, without recourse to public funds (Residence Act, Sections 2, 5). Access to the labour market is otherwise not possible. 6. See questions above.
≝	Greece	Yes	1. In Greece there is a minimum wage standard applied generally for all citizens residing and working in Greece, irrespective whether they are Greeks or not.

		 2. The minimum salary for workers currently in force is: (a) 26,18 euro/day for workers over 25 years of age & (b) 22,83 euro/day for workers under 25 years of age (source: Greek Ministry of Labour). 3. As mentioned above the national minimum wage level is applied generally for all citizens and aliens legally residing and working in Greece, without discrimination based on nationality. In particular, the minimum salary for employees currently in force is (see the previous question 2): (a) 586,08 euro/month for employees over 25 years of age & (b) 510,95 euro/month for employees under 25 years of age (source: Greek Ministry of Labour). 4. (see the previous question 3) 5. Legally residing migrants enjoy the same basic social care rights as Greek nationals (e.g. education, health, access to housing is restricted for unemployed persons. 6. It should be here underlined that migrants regardless of their residence status enjoy: a) the right to education/enrolment to public schools of children of refugees, asylum seekers and foreign citizens, b) access to healthcare institutions for emergency treatment or childbirth and for foreign minors & access to social care structures operated by local authorities.
Hungary	Yes	 No Yes. In Hungary the Labour Code authorises the Government not only to specify the mandatory minimum wage but also to define the guaranteed wage minimum relevant for jobs requiring at least secondary education, respectively, secondary qualification. 4 5

		6. The amount and scope of the mandatory minimum wage and the guaranteed wage minimum shall be determined by the Government following consultations with the social partners in the National Economic and Social Council each calendar year.
Ireland	Yes	 1. Yes. 2. Currently, a remuneration threshold of €0,000 is generally applied with the following exceptions: • €7,500 for meat boners, and • €7,000 for recent graduates and customer service/sale roles with languages Minimum remuneration thresholds for low skilled migrant workers are being explored as part of this review. 3. Most employees in Ireland are entitled to a national minimum wage (National Minimum Wage). It is currently €0.55 per hour, or €19,367 per annum for a 39 hour week. 4. The minimum annual remuneration threshold of €0,000 for a migrant worker is based on Ireland's 2006 average annual earnings. The threshold has not kept pace with changes in the average annual earnings. Reducing the €30,000 threshold for low skilled migrant workers forms part of the review. 5. It is currently the case that the minimum annual remuneration for an employment permit is set at a sufficient level to normally meet the basic social care needs of an employment permit holder and their dependents, without recourse to additional State supports. However, this level is higher than the average remuneration for many lower skilled employments where labour shortages may now be developing in Ireland (which are generally at or just above the National Minimum Wage) and this is being explored as part of the review. 6
Italy	Yes	1. No, no minimum wage standard is provided for by Italian law. Italian labour law applies to third country nationals who regularly work in Italy as it does for Italian or highly skilled workers. As for Italian workers, the minimum wage standard for third country national is set by the national

		collective contract of reference for their categories of worker. These contracts are agreements between Unions and groups of entrepreneurs. 2. N/A 3. The minimum wage standard is not provided for at a general level. It can be provided for by the national collective contracts which are, however, specific for a category of worker and they can be either comprehensive of an entire sector of the labour market or they can be stipulated with a single employer. 4. N/A 5. The minimum wage standards, if they are provided for by the national collective contracts, vary depending on the category of workers and on the employers who negotiated the agreement with the Unions. However, it must be born in mind that, for the residence permit to be issued, one of the requirements is that the third country national guarantees an income equal to the amount of the social check. Therefore, the basic social care needs of the third country national worker are covered by his/her income and additionally, as a tax payer, he/she has access to the social welfare system. 6. N/A
Latvia	Yes	 Yes. A minimum wage standard is applied for all migrant workers irrespectively of their qualification. All employed foreign workers shall be paid not less than average salary in the country - 927 euros per month (in 2017). Exception: 1) EU Blue card – 1.5 average salary; 2) seasonal workers in agriculture – they have to be paid an amount not lower than average salary in the agriculture sector (this amount is a little bit lower than average salary in the country). Yes, but the national minimum wage is not applied in the case of foreign workers.

		4. All employed foreign workers shall be paid not less than average salary in the country - 927
		euros per month (in 2017). Exception: 1) EU Blue card – 1.5 average salary; 2) seasonal workers in agriculture – they have to be paid an amount not lower than average salary in the agriculture sector (this amount is a little bit lower than average salary in the country). 5. Yes, is set at a sufficient level (even may exceed it) to normally meet the basic social care needs of the foreign worker. Foreign workers are not provided with access to additional State supports. 6. Due to the lack of labour force in Latvia in various sectors of economy there are discussions taking place at the moment on lowering the salary criteria for migrant workers but the political
		agreement has not been reached.
Lithuania	Yes	 N/A. Lithuania does not use the concept of low-skilled occupations. However, Republic of Lithuania Law on the Legal Status of Aliens does separate a category of employment requiring high professional (high-skilled) qualifications (qualifications attested by evidence of a higher-education diploma or, where it is provided for in legal acts of the Republic of Lithuania, attested by at least five years of professional experience of a level comparable to higher education qualifications and which is relevant in the profession or sector specified in the employment contract or written undertaking). Also, it should be noted that in order to obtain a work permit, employer has to prove that the migrant worker's salary will not be less than other employee's (Lithuanian citizen's working in the same position and performing same tasks) who works for the employer. N/A. Yes. Starting from 1 January 2018, Lithuania maintains national minimum wage level of €400 per month or €2,45 per hour. N/A. N/A.

		6. N/A.
Luxembourg	Yes	 In Luxembourg there are only three minimum wages standards applied through the economy a) Minimum social salary for low skilled workers: 1998,59€per month (since 1 January 2017) b) Minimum social salary for qualified workers (profession which imply a professional qualification usually acquired by a technical education or by a training certified officially): 2398,30€per month c) Highly qualified worker: a. at least equivalent to 1.5 times the Luxembourg average gross annual salary (EUR 73,998); or b. at least equivalent to 1.2 times the Luxembourg average gross annual salary (EUR 59,198.40) for work in one of the following professions and for which the government has noticed a particular need to employ third-country nationals: - mathematicians, actuaries and statisticians; - systems analysts; - software developers; - web and multimedia developers; - applications programmers; - software and application developers and analysts, multimedia developers not listed elsewhere; - database designers and administrators; - systems administrators; - computer network professionals; - database and network professionals not elsewhere classified; See answer to question 1. Yes. See answer to question 1. The social minimum wage is applied to all workers (without discrimination of nationality or gender to all professions and for all companies) under a contract of employment by an employer. N/A In the case of the salaried worker authorization of stay it is a requisite that the TCN must present a signed contract with the employer, with a remuneration that has to be at least the social minimum wage. N/A

* Malta	Yes	 1. As regards question 2.2 and question 2.3 it should be noted that in Malta there is established a national minimum wage which applies to all workers (i.e Maltese nationals, E.U. nationals, migrant workers etc). At present the national minimum wage is as follows: 2. For workers aged 17 years€165.73 For workers aged under 17 years€162.89 3. For workers aged 18 years and over€172.51 4. N/A 5. N/A 6. N/A
Netherlands	Yes	 No, there is no such thing as a minimum wage standard for low skilled migrant workers. The regular minimum wage standard also applies for low skilled migrants (see Q3). N/A Yes, we do have a national minimum wage level. From the age of 15 till 21 the minimum wage level varies. From the age of 22 onwards, the minimum wage level is consistent and the amount is based on a full-time job (36, 38 or 40 hours a week, depending on the sector). The minimum wage is, as of 01/01/2018: €1.578,00 per month, €364,15 per week and €72,83 per day. In addition, foreign employees should be paid in conformity with the collective labour agreement (if applicable). N/A N/A N/A

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Poland	Yes	1. Yes
		2. Minimal remuneration per month – 2100 PLN. For some civil law contracts – minimal hourly rate is 13,70 PLN. Foreigner's salary cannot be lower than the salary of other employees that have the same working hours and similar tasks/similar working position (art. 114 par. 1 p. 4 of the foreigners act). Foreigner's salary cannot be lower than level of remuneration that entitled to receive social aid (634 PLN or 514 PLN for person in family)
		3. Minimal remuneration per month – 2100 PLN. For some contracts – minimal hourly rate is 13,70 PLN
		4. No
		5. As mentioned – remuneration for foreigner should be higher than the level that entitles to receive social aid
		6. n/a
Slovak Republic	Yes	1. No. The minimum wage in the SR is same for the employees that are TCN as for the Slovak citizens – currently (2018) it is 480 EUR.
		2. See Q1.
		3. Yes, see Q1.
		4. N/A
		5. The social insurance system, state social assistance and state social support benefits are tied to the payments of the contributions to the Social insurance agency during a specified period of time and fulfilment of other specific conditions. The claim for these benefits does not arise automatically. If a migrant works in the SR based on an employment agreement, social insurance

		on the territory of the SR is obligatory so s/he has an access to the social insurance system, after fulfilling the abovementioned conditions. 6. N/A
Sweden	Yes	 No, but salaries for labour migrants from third-countries have to be in line with Swedish collective agreements, or if there are no such agreements, with what is customary for the respective industry sector. However, a third-country worker must earn at least SEK 13,000 SEK per month before taxes. Please see question 1. No. Wage levels are determined by collective agreements between employers and trade unions. The absolute minimum monthly salary of SEK 13,000 for third-country migrant workers is not a minimum wage. Rather, this sum is considered the minimum income for an individual to be able to support himself/herself in Sweden. The amount is based on the national norm for the calculation of basic social security benefits (maintenance support), plus estimated standard costs for housing, electricity, commuting to work, etc. Over recent years, this minimum amout has remained unchanged. The minimum salary threshold is set at a level for the immigrant workers to cover their basic cost of living. They are not required to also be able to support any accompanying family members, however. Access to additional state supports (e.g. housing benefit, child care allowances, etc.) is provided if an immigrant workers stays, or is expected to stay, in Sweden for one year or longer. (Such additional residence-based supports cannot be included in the calculation of the minimum salary threshold of SEK 13,000.) -

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United Kingdom	Yes	 The minimum wage applies to all workers (migrant and non-migrant). The National Living Wage (NLW) applies to those aged 25 and over, whilst there are four National Minimum Wage (NMW) rates applied to younger workers. The current rates are shown in the table below, these increase every April. The next uprating will take place in April 2019. 25 and over 21 to 24 18 to 20 Under 18 Apprentice* £7.83 £7.38 £5.90 £ 4.20 £3.70 *Applies to Apprentices under 19 or over 19 and in the first year of their Apprenticeship Yes -see question 2. N/A Migrant workers are entitled to the same minimum wage as non-migrant workers. When setting the minimum wage, the Government takes advice from the independent and expert Low Pay Commission (LPC), following an annual remit issued by Government. For the National Minimum Wage, the LPC target the competitive market wage rate, i.e. set a rate as high as possible without having an adverse effect on employment. For the National Living Wage, there is an explicit target of 60 per cent of median earnings to be achieved in 2020, subject to sustained economic growth. This is a politically set target and is not explicitly linked to the cost of living. There are instances in the agriculture sector where agricultural workers may be paid above the NMW in Wales, depending on which is higher: There is an Agriculture Minimum Wage for agricultural workers in Wales for different grades of worker which must be paid, unless the National Minimum Wage is higher in which case the latter must be paid. Please see the link below: https://www.gov.uk/agricultural-workers-rights/pay-and-overtime
Norway	Yes	1. Even though there is no government regulated minimum hourly pay in Norway, still a minimum hourly pay has been established for some occupations and branches of industry that do not require highly skilled labour. This has been done in order to prevent exploitation of foreign labour and thus ensuring a standard for everyone for hourly pay as well as other health and safety conditions in the workplace, including sick leave and holiday pay, benefits otherwise considered the norm in Norway. In 2018 these regulations include workers in: construction industry, cleaning,

hotel, restaurant and catering, maritime construction industry, agriculture and horticulture, fish and processing enterprises, electricians, truck drivers, and bus drivers (with tour bus). The regulation of minimum hourly pay is annually reviewed by an independent committee, The Tariff Board (Tariffnemnda), where also the social welfare partners are represented. See also https://www.regjeringen.no/no/dep/asd/org/nemnder-styrer-rad-og-utvalg/permanente-nemnderrad-og-utvalg/tariffnemnda/regelverk---liste/lover/id546685/ and https://www.arbeidstilsynet.no/en/working-conditions/pay-and-minimum-rates-of-pay/minimumwage/ 2. This could be anywhere from about 10 - 19 Euro/hour depending on which category as well as

- age.
- **3.** There is no government regulated minimum hourly pay in Norway. See above.
- **4.** N/A
- 5. The wage level required for a residence permit for low skilled work is stipulated in the applicable collective agreement as there is no general minimum wage. The minimum hourly pay which has been established for some occupations and branches of industry (The General Application Act) is also based on pay levels in collective agreements which are deemed to be representative for the minimum pay level in that occupation or branch of industry. The lowest level of pay in Norway is supposed to be sufficient for covering people's the most important needs: social welfare and health costs. For this reason, it is not considered necessary with additional subsidies from the municipalities or the State as long as someone has a full-time job.

6. N/A