

# Break the chain of dependency and promote equal treatment of migrant workers

## Joint statement on the revision of the Single Permit Directive

November 2023

18 European networks and organisations, representing trade unions and NGOs, call on EU lawmakers not to trap migrant workers in exploitation, by ensuring a meaningful right to change employer, and to ensure full equal treatment, particularly in private rented housing.

The Spanish Presidency of the Council and European Parliament are working to reach a compromise on the <u>revision</u> of the EU Single Permit Directive, which creates a simplified application procedure for both work and residence permits and aims to promote equal and fair treatment of migrant workers. Among the remaining points of contention are the biggest game changers, changes that would actually make an important difference in the lives of millions of migrant workers and their families: the right to change employer and equal treatment.

EU lawmakers have a unique opportunity to make real improvements in the lives and working conditions of millions of workers. Without the below, the revision risks to actually be a regression, and worsen the conditions of migrant workers.

We call on the EU negotiators to revise the Single Permit Directive to establish:

- A simple and swift procedure so that workers can realistically change employers, jobs and sectors, within the country, on the same permit.
  - Member states should be able to decide on whether or not to require a notification procedure. The procedure must be free, and substantively easier (with fewer administrative steps and requirements) and quicker than a new application.
  - If opting for a notification procedure, authorities should communicate any opposition to the change of employer within 30 days and the worker should be given a new period to change employer.

- Member states should be able to apply labour market checks only when there is a change of sector, when the job is not on the list of shortage occupations, and where member states already conduct labour market tests to access the single permit for the particular job in question.
- No minimum requirement to stay with the first employer: The Council has proposed giving governments
  the possibility to tie workers to their first employer for 12 months. This is the opposite to a right to
  change employer and would serve to tighten the bondage of migrant workers, serving the interests
  only of exploitative employers.
- A reasonable period of unemployment: Single permit holders should be allowed <u>a period of at least</u> <u>nine months</u> to seek alternative employment (in line with existing EU standards for students and researchers)<sup>1</sup>.
- Extended status when workers' rights are violated: In situations where migrant workers experience labour rights violations, the period of possible unemployment should be further extended to <u>one year</u>.
- **Equal treatment**: Migrant workers should have equal treatment across all areas of employment and social security, and access to goods and services. In particular:
  - > The right to strike must be protected and the right to back-payments, including in case of employer insolvency, must be included in the list of areas covered by equal treatment.
  - Decent standards for housing must be ensured. The proposal by the Council to allow governments to restrict access both to publicly subsidised housing and the private rental market represents a significant increase in housing discrimination, and risks making workers' access to housing even more precarious and inadequate, as well as increasing risks of homelessness. Specific measures are needed to address housing-related exploitation by employers and landlords.
  - > Exclusions from social protection and family benefits for those who are not in employment, who worked for less than six months and who are working on a visa must be removed.

### **Background information**

#### A key measure to prevent and remedy dependency and exploitation

The Single Permit Directive combines residence permits and work permits into a single residence and work permit ('single permit') to simplify procedures and related documentation. An unintended consequence is that people's residence status has become entirely dependent on a single employer and particular job, in many EU member states.

Work permits in many EU countries tie migrant workers to a specific job with a particular employer and are only valid for a short period of time. If a worker wants or needs to change their employer, they have to apply for a new permit, a lengthy and complicated process with insecure outcomes for both the prospective employer and the worker.<sup>2</sup> If the worker loses their job, their single permit will become invalid within a short period of time.

<sup>1</sup> Directive 2016/801

<sup>2</sup> PICUM, 'Designing labour migration policies to promote decent work and social inclusion', 2021.

Evidence from academia,<sup>3</sup> NGOs and trade unions,<sup>4</sup> and even the European Commission<sup>5</sup> shows that permits which are linked to a single employment relationship lead to dependency and exploitation and push people into irregularity and undeclared work.

The unequal power relationship which is cultivated through these restrictions on residence and work permits enables situations of exploitation. It creates a situation of dependency where everything depends on keeping a particular job. If a new application procedure has to be followed, workers risk losing everything, their residence status and right to work, their income, their housing, their investments in their migration project and the lives they have built in their country of employment.

People need to be able to withdraw their labour and find alternative employment, in order to have some bargaining power to challenge mistreatment, negotiate better terms and conditions of employment and escape abuse if necessary.

Employer-dependent permits also prevent the kind of mobility in the labour market which facilitates professional development and job growth, fair competition, effective job and skills matching, and adaptions to workers' and employers' needs.

Measures which tie a worker to a single employer only benefit employers who use the situation of dependency to undercut labour costs, requiring migrant workers to work longer hours, in more dangerous conditions, for less pay. They do not protect the interests of employers who provide decent employment. They not only fail to protect migrant workers from exploitation, but actually facilitate that exploitation.

#### The way forward - a meaningful right to change employer

The European Commission and European Parliament have introduced into the revised Single Permit Directive new provisions to facilitate change of employment for migrant workers. The European Council position is to maintain the status quo. This is not an option, as change is long overdue. It would also be a rollback in the rights of migrant workers, as it would codify into EU law as minimum standards policies that have been proven to be harmful.

The revision of the EU Single Permit Directive must include a meaningful right to change employer. A 'right to change employer' is only meaningful if the worker can work for different employers, and change their job, on their existing permit with minimal administration. The procedure - if anything specific is required - must be free, swift and include only the checks necessary to double check employment conditions are met.

Workers need a realistic period of time to be unemployed, considering the time needed to learn about and follow all the applicable rules and procedures, search for alternative employment, go through recruitment procedures and succeed in receiving a job offer. The time required is even longer when a worker has experienced labour rights violations, as people need time to recover mentally and physically from harsh working conditions, and to stabilise their situation.

Several countries, including Spain, Portugal, Greece and Finland, only require the usual employment and social security related registrations and procedures to be fulfilled when a migrant worker changes their

<sup>3</sup> See e.g. A. Weatherburn, "<u>The lived experiences of migrants in the EU with a single permit</u>", August 2023; C. Robinson, "An immigration for Scotland? Safeguarding workers on temporary migration programmes"; A. Weatherburn et al., "Labour migration in Flanders and the use of the single permit to address labour market shortages: The lived experiences of single permit holders working in medium skilled bottleneck professions", 2022; V. Mantouvalou, "<u>The UK Seasonal</u> <u>Worker visa</u>" 2022; Migration Observatory, "Exploiting the opportunity? Low-skilled work migration after Brexit", 2018.

<sup>4</sup> See e.g. Kalayaan, <u>Briefing on Overseas Domestic Workers for the Modern Slavery Strategy and Implementation Group</u> (<u>MSSIG</u>) <u>Prevent meeting</u>, 11 September 2019; Kalayaan and Anti-Slavery International, Submission to the UN Special Rapporteur on Contemporary forms of Slavery, May 2018.

<sup>5</sup> European Commission, Inception impact assessment – Ares(2020)7238503.

employer. There is no specific time limit for unemployment, the permit remains valid until it is due to expire. Germany provides 6 months of unemployment, beyond the validity of the permit.

Policies that enable workers to change employer if they need to, through simple procedures and with enough time to search for work, lead:

- employers to treat all their workers more fairly,
- to better skills matching,
- to less administration for governments, and
- to less undeclared, undocumented and exploitative labour conditions.

#### **Equal treatment**

It is essential to provide and guarantee migrant workers full equal treatment with national workers.

The list of areas where permit holders are to enjoy equal treatment needs to be updated and aligned to other EU law and case law, such as the Directive on Transparent and Predictable Working Conditions.

The right to strike and take industrial action, including the right to negotiate and conclude collective agreements, as well as the right to backpay, including in case of employer insolvency, are other crucial additions.

While Article 12 of the Single Permit Directive sets a principle of equal treatment, the list of possible exceptions and exclusions is long. The current legislation allows for member states to discriminate against some workers, limiting their access to social security, for example, if they have been employed for less than six months or are working on a visa. This does not seem justifiable or fair considering that the law already refers to equal treatment i.e. permit holders would be subject to the same terms and conditions as other workers, and e.g. only able to access contribution-based benefits after a certain amount of time – and having paid into the system.

The current directive also allows discriminatory practices in access to goods and services, and housing. The Commission sought to clarify that this only applied to publicly subsidised housing, but the position of the Council is to allow governments to restrict access to the private rental market. This would represent a significant increase in housing discrimination, and risks to make workers' access to housing even more precarious and inadequate, also increasing risks of homelessness.

Measures to address specific challenges to migrant workers' access to decent housing are essential, to reduce exploitation by employers and landlords. For example, housing costs should not be deducted directly from remuneration and rent contracts should be decoupled from work contracts to reduce dependency on employers.<sup>6</sup>

<sup>6</sup> See e.g. ETUC, <u>ETUC Position on the recast of the Single Permit Directive (SPD)</u>, Adopted at the ETUC Executive Committee of 6 December 2022; Report of the UN Special Rapporteur on contemporary forms of slavery, including its causes and consequences, Tomoya Obokata, Homelessness as a cause and consequence of contemporary <u>forms of slavery</u>, 12 July 2023