

Social security: coordination of the national systems to promote the free movement of persons (repeal. Regulation (EEC) No 1408/71)

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The Council held a preliminary debate on the parameters to be laid down with a view to modernising Regulation 1408/71/EEC. The Presidency raised two questions on the situation of frontier workers and one on extending the scope of the Regulation to include third-country nationals: - Sickness benefits for retired frontier workers: the question raised was whether such retired frontier workers should not be entitled to continue to receive sickness benefits in the Member State where they last worked. The President concluded the discussion by noting that offering retired persons this choice, as a matter of course, posed problems for a number of Member States, particularly as it discriminated against other pensioners who did not enjoy the same right. However, he deduced from the discussions that even those Member States recognised that there were some concrete situations which called for pragmatic solutions, such as those involving workers who had embarked on courses of medical treatment before retiring. - Unemployment benefits for frontier workers: the question was which State was responsible for providing unemployment benefits for a former frontier worker: the State where he/she last worked or the State of residence? The President concluded that there was room for further discussion, since there were still differences of opinion on making the State of last employment responsible for such provision. - Extension to third-country nationals: no Member State had opposed extending the scope of Regulation 1408/71/EEC, even though some had linked this issue to the choice of legal basis for such an extension. The Commission had proposed Articles 18 (free movement of European citizens), 42 (social security coordination) and 308 (measures linked to completion of the Internal Market). A number of Member States were more in favour of Article 63(4) (immigration policy). The Council decided to instruct the Permanent Representatives Committee to find a solution to the question of an appropriate legal basis. The parameters are due to be adopted at the meeting of the Employment and Social Policy Council on 3 December 2001, before being forwarded to the Laeken European Council on 14 and 15 December 2001. At the same time, a timetable should be drawn up for examining the provisions of the Regulation under the Spanish and Danish Presidencies, which will then be required to make drafting proposals on the texts.