Improving the acquisition and preservation of supplementary pension rights in order to enhance worker mobility

2005/0214(COD) - 20/10/2005 - Legislative proposal

PURPOSE : to facilitate the exercise of the right of workers to freedom of movement and of the right to occupational mobility within the same Member State, by reducing the obstacles created by certain rules governing supplementary pension schemes in the Member States.

PROPOSED ACT : Directive of the European Parliament and of the Council.

CONTEXT : worker mobility both at national level and from one Member State to another is an essential factor in a smoothly-functioning European employment market and is an integral part of the ambition set out in the Lisbon strategy to strengthen employment and economic growth. There is therefore a need to improve not only this mobility from one Member State to another but also occupational mobility within any country. Considering the increasing importance of supplementary pension schemes to cover the risks of old age, it is thus particularly important to reduce the obstacles to mobility which stem from these schemes. The Commission states in its Lisbon action plan its intention to submit legislative proposals in this area.

CONTENT : this proposal aims to establishes common principles for improving the exercise of the right to freedom of movement, one of the fundamental freedoms of the European Union, and the operation of the internal market, principles which fit in with the adjustments of the supplementary pension schemes already under way in the Member States.

This proposal is accordingly designed to simultaneously reduce the obstacles to freedom of movement across Member States and to mobility within any Member State stemming from provisions contained in these supplementary pension schemes.

These obstacles relate to:

- the conditions of acquisition of pension rights,
- the conditions of preservation of dormant pension rights,
- the transferability of acquired rights.

The proposal also seeks to improve the information given to workers on how mobility may affect supplementary pension rights.