

H. E. Ms. Roxana Mînzatu
H.E. Mr. Valdis Dombrovskis
European Commission
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B-1049, Brussels

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**Joint letter of Estonia and Finland: Less
regulation and administrative burden and
more simplification in the EU labour policy**

Dear Executive Vice-President Mînzatu, Commissioner Dombrovskis,

In today's global competition, competitiveness is Europe's strength. Europe must invest in its people; our policies should foster social fairness, but we need to provide confidence to our businesses and make Europe attractive for investments. Citizens' social rights should be achieved in a way that also improves the competitiveness of the EU economy.

As mentioned in the report of Enrico Letta "Much more than a Market": *The Single Market is all of us: everyone must play its own role*. A clear and proportionate regulatory environment is a prerequisite for employers and entrepreneurs to generate sustainable added value that can be shared with employees through improved working conditions.

Still, we see initiatives with questionable added value, increased reporting obligations, overly detailed and overlapping regulations. Employers highlight the need to streamline reporting obligations, improve regulatory coherence, and prioritise implementation over new legislative initiatives. Furthermore, similar considerations are reflected in the 2026 *Annual Single Market and Competitiveness Report*. The report clearly shows that despite strategies and reports neither businesses nor citizens are seeing the results. Leaders have also committed to simplification and reducing administrative burden in European Council's Conclusions on March 19.

We need to move from words to actions. Employers and employees must actually feel the results of the simplification exercise. It is crucial that we brake the chain of regulatory burdens we are adding with new wave of regulation.

Therefore, we need to focus on **simplifying and digitalisation of the regulatory environment**, including by avoiding overlaps and additional regulatory layers in forthcoming initiatives. Simplification and digitalisation principles should apply to all new legislative proposals. However, we find it concerning that both already published and upcoming proposals related to labour policy may not have this aim and instead introduce more specific and additional obligations. For example, the pending **Traineeships Directive** may reduce access to traineeships for young people, which is the opposite to the initial objective of the proposal. The possible initiatives on quality

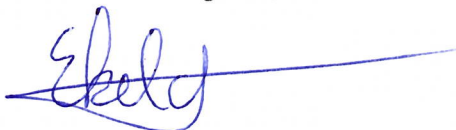
jobs and labour mobility should mainly focus on simplifying existing EU labour law and reducing administrative burdens, while maintaining flexibility and role of social partners, as well taking into account the specificities of the Member States. For example, we are concerned about regulations relating to the **right to disconnect**. Applying the same rules across different sectors and conditions is not purposeful while workers and employers are best placed to find solutions. Instead of creating new regulations, the focus should be mainly on better enforcement of existing legislation. Also, we should have a risk-based approach to regulating **AI at the workplace** because comprehensive AI regulation might lead to excessive human-in control principle. Innovative forms of work are based on algorithms and not all decisions need to be subject to human oversight.

In **reducing administrative burden**, we need to ensure that regulatory updates remain proportionate and targeted, while prioritising regulatory quality to support innovation, competitiveness, and social fairness. Instead of creating new rules, we should **consider voluntary supportive measures**, such as guidelines supporting **effective implementation of existing EU law**.

Commission should only come up with new legislation, if it is necessary and it has been proven that the legislation will not impose unnecessary additional burdens on businesses. **Strengthening the use of data and impact assessments** is of utmost importance with a view to demonstrating clear added value of new initiatives. Comprehensive impact analyses, including on competitiveness of European businesses, as well, effects on small and medium-sized enterprises are needed.

We very much appreciate the experience of Omnibus initiatives in different policy areas as an effective tool to advance simplification objectives and improve regulatory coherence., In the labour policy field, the existing framework is often complex and may create disproportionate administrative requirements for employers without delivering added value. In this context, we invite the Commission to consider the development of an Omnibus initiative in the labour policy field, aimed at addressing overlaps, reducing administrative burden, and facilitating implementation of the existing acquis. Such an approach could support simplification efforts while preserving a high level of worker protection.

With best regards,



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