

## **The European Pillar of Social Rights at the core of the EU Agenda 2024 – 2029**

### **Europe is experiencing a social justice emergency.**

Over the past decade, working people have suffered record real-term pay cuts while unscrupulous employers continue to register record profits.

There must be a fundamental change. The benefits of the single market have not been shared equally, the wealthiest have seen their income increase while those on low and middle incomes have seen their real pay decrease. At the same time, new business models threaten employment rights and increase the imbalance of power away from workers and their trade unions.

The purpose of the social market economy must be first and foremost quality jobs, the improvement of living and working conditions and the achievement of the European Pillar of Social Rights.

Solving the lack of ‘quality jobs’ problem needs to be a central theme of the upcoming mandate. It will require restoring a social contract between workers and the EU, developing labour market policies that are closely linked to supporting quality jobs, a Green Industrial Policy and greater support for collective bargaining as the way to anticipate and manage change.

### **Social Europe must be at the centre of the programme and of the work of the European institutions in the next years.**

We support the Social Summit at La Hulpe to set the compass towards a Europe that is a great place to live, work, bring up your children, care for your loved-ones, and retire and grow old. A Europe that delivers the European Pillar of Social Rights in practice. A Europe that protects fundamental human rights, including reproductive rights, thriving to achieve gender equality. A Europe with a strong green industrial policy with social conditionalities creating quality jobs in all sectors, both public and private. A Europe that truly supports workers to have a say in their workplace, collective bargaining and social dialogue. A Europe that fully supports trade unions and combat union busting. A Europe based on a fair days pay for a fair days work, employment security, advancement, respect and equality for all workers regardless of where they are from or the work that they do.

We cannot fall into the trap of a backwards looking approach that focuses on deregulation, on absence of initiatives to improve people lives, on competition uniquely based on costs of companies ignoring the essential role played by quality public services, housing, childcare, transport in creating a genuinely competitive economy that delivers the European Pillar of Social Rights.

We must do better for Europe: we cannot go back, we must go forward.

We need EU institutions and Member States to put forward the necessary legislative initiatives and the necessary funding to make sure that progress in living and working conditions is ensured.

We set out the ETUC priority building blocks for delivering the European Pillar of Social Rights for working people.

## ETUC CONTRIBUTION

The European Union must deliver on its promise of improving living and working conditions. The full implementation of the European Pillar of Social Rights is key to ensure an Europe that is a great place to live, work, bring up children, care for our loved-ones, and retire and grow old. A Europe that delivers the European Pillar of Social Rights in practice. A Europe that protects fundamental human rights, thriving to achieve gender equality.

In spite of advances won in the last years, there is a social justice emergency in Europe. Over the past year, working people have suffered record real-term pay cuts while unscrupulous employers continue to register record profits. Meanwhile, the threat of a return to austerity, as well as of deregulation are a serious risk for the future.

Instead, we need reinforced commitment by all European institutions, by Member States and by social partners to work for a fair and sustainable Europe with secure jobs, decent pay, excellent public services, women's rights and equality for all, strong workers' rights, and reinforced collective bargaining and social dialogue. A Europe we can be proud to pass on to future generations. This is necessary also to defend and reinforce democracy in Europe.

The European Trade Union Confederation would like to stress the following necessary initiatives in progressing in the implementation of the European Pillar of Social Rights.

These inputs are not exhaustive of the necessary actions to advance in the implementation of the EPSR, but constitute the comments and contribution of the ETUC to the ongoing discussion in view of the La Hulpe Summit.

### Equal opportunities and Access to the Labour Market

- **Ensuring the EU takes action to guarantee the right of all to high quality and inclusive lifelong training without costs for the workers and during working time, as an individual, enforceable right to training vis-à-vis the employer.** It is also key to ensure paid educational leave for all workers and the right to access to full qualifications, validation of non-formal and informal learning and work experience, and free and quality career guidance and counselling. It is necessary to contribute to strengthening social dialogue, aiming at fostering re- and upskilling driven by social dialogue and that social partners have a more strategic role in European and national policies and in funding mechanisms for training, in particular in identifying skill needs for the future, defining qualifications and competence frameworks, adapting training curricula and its design to the worker's needs.
- Taking stronger action at EU level **to eliminate the gender pay gap.** Guaranteeing a swift and ambitious transposition and implementation of the Directive on Gender Pay Transparency at national level leading to a re-evaluation of work predominantly done by women, and to stronger support to collective bargaining to closing the gender pay gap and to promoting professional growth.
- Taking the necessary initiatives to **end all forms of gender-based violence** in the world of work, including online. Regarding the fight against gender-based violence, a comprehensive approach is needed taking into account domestic violence, cyber violence, psychological violence, and economic violence. Advocate for a strong Directive combatting violence against women and domestic violence that foresees a strong role for trade unions.

- Ensuring a swift ratification of the ILO Convention 190, eliminating violence and harassment in the world of work in all European countries.
- Developing a new and ambitious Gender Equality Strategy post-2025, which should recognize and support the key role played by trade unions, social dialogue, collective bargaining and equality bargaining.
- Promoting collective bargaining and collective agreements to actively foster diversity, tolerance and inclusion at all levels and oppose all possible grounds of discrimination and work-related violence. The implementation of the EU anti-racism Action Plan, of the EU strategy to combat antisemitism and of the EU Roma strategic framework on equality, inclusion and participation should include a meaningful role for social partners and trade unions.
- Working towards **stronger public employment services**, effective labour market policies, and interventions on employment creation, with social conditionalities in terms of quality jobs for public hiring subsidies.

### Fair working conditions

- Tackling precarious work must be recognised as a priority. **Ending precarious work by guaranteeing legal rights to permanent contracts and full-time work.** Banning on-demand and zero-hours type contracts, and other arrangements and forms of precarious work, making permanent contracts the standard, with attention to workers employed in new forms of work and in the digital economy/platforms. Negotiating ambitious Directive on quality traineeships to reduce social exclusion among young people. **Ensuring quality jobs and improving working conditions** is key central to address labour shortages. The best way to ensure job quality and fair working conditions is by **promoting and strengthening collective bargaining**, in particular at sectoral and cross-sectoral levels. Increasing collective bargaining coverage should be a priority in all Member States and should prompt decisive action, including through an ambitious transposition of the Directive on Adequate Minimum Wages, targeting 80% coverage, and of the Directive on Gender Pay Transparency.
- **Defending and strengthening trade union and workers' rights, including the universal right to organise, union access to workplaces, the right to bargain collectively, and the right to strike.** Attacks on trade unions must be prevented: **union busting must be punishable as a crime!** This is necessary to defend and reinforce democracy in Europe.
- Taking effective EU action to protect jobs and incomes, including pensions, with decisive measures to address the social dimension of the cost-of-living crisis. It is key to promote wage increases and support upwards convergence in incomes and working conditions. Introducing a **European framework to promote upwards convergence on wages** and to make sure that multinational companies recognise trade unions and negotiate collective agreements with them at national level in all countries in which they operate and to define a path towards equal pay for work of equal value with regard to wages paid to workers in different countries.
- Achieving climate targets through a **just transition. Introducing a directive for just transition in the world of work through anticipation and management of change, based on the principles of trade union involvement and collective bargaining.**
- **Increasing workers' control over working time flexibility and reduce working time**, while maintaining full pay and compensatory recruitment, including working arrangements that ensure a gender-

transformative approach and for those in involuntary part time work to increase their contractual hours.

- **Introducing an Alert Mechanism that provides social partners with the opportunity to report when Member States have not lived up to their commitments with regard to social dialogue.** Such an Alert Mechanism should: (i) Be developed in agreement with the EU level cross-industry social partners, (ii) Provide that the EU level cross-industry social partners may individually or jointly bring an alert report on their own behalf or on behalf of a national social partner, (iv) Set out the structure for making the alert report on situations of failure to involve adequately social partners in national level in relation to clearly defined social policy structures, (v) Set out the actions that the Commission can be expected to take in follow-up, (vi) Set out the type of report that will be made by the Commission on the actions taken and the changes secured, (vi) Allow for regular meetings between the EU cross-industry social partners to discuss progress.
- **Introducing a requirement for a Social Dialogue Impact Assessment – as essential tool to ensure the respect and promotion of social dialogue.** EU legislators should be required to state how Social Dialogue has been promoted by their proposals – regardless of the field (similar to the SMEs test). The Regulatory Scrutiny Board should ensure its application and report on it as part of the Impact Assessments, setting out how the initiative will ensure that social partners are involved, and that social dialogue is actively promoted and the prerogatives of the trade unions respected. An ex-post evaluation of existing Regulations and Directives should also be undertaken to identify and remedy any restrictions or practices that undermine social dialogue and collective bargaining at all levels.
- The ETUC stresses that **European social dialogue** requires the full and direct in-house support of the Commission, both politically, financially and administratively, for **both cross-industry and sectoral social dialogue**. The Commission’s call for more social partner agreements requires a clear political commitment, adequate resources and support from the Commission for sectoral and cross-industry social dialogue.
- **Ensuring the effective regulation of AI in the workplace, by enshrining the “human in control” principle in EU legislation.** This includes among others the full respect of workers and trade union rights, as well as the full involvement of trade unions and collective bargaining at every step (design, implementation, re-valuation etc.) of the lifecycle of an AI system, as well as to strengthen the information, consultation and participation of trade unions and workers’ representatives in the implementation of these applications in the workplace.
- **Committing to achieving zero deaths at the workplace and because of work.** Improving and expanding the EU occupational health and safety legislation and other European initiatives to achieve this objective. **Preventing psychosocial risks and online harassment and shaming at work through a European Directive.** Additionally, it is crucial to adapt the European legislative framework concerning occupational safety and health to safeguard workers from the emerging risks associated with climate change, as well as the corresponding adaptation and mitigation strategies. **Introducing EU legislation that establishes temperature limits for work, outdoor and indoor.**
- Developing initiatives to **ensure the full enforcement of workers and trade union rights and reinforcing labour and social law inspection services and complaint mechanisms.**
- **Introducing a general EU legal framework on subcontracting to limit the length of the subcontracting chain and ensure joint and several liability,** thereby empowering workers to claim their rights, seek redress and hold business accountable. Tackling artificial cross-border arrangements such as abusive subcontracting and letterbox companies.

- **Improving the enforcement of labour mobility rules by a more effective European Labour Authority (ELA).** In a tripartite spirit, ELA should strengthen its strategical involvement of social partners at all levels, ensuring that social European, sectoral and national social partners are involved in the elaboration and execution of the Authority's tasks and activities in a structured, systematic and timely way.
- Establishing national helpdesks for companies and mobile workers with questions about applicable national legislation. Permanent funding should be provided under the EU budget to **empower trade union counselling structures at national and regional level to support mobile and migrant workers on the ground**, effectively enabling trade unions to carry out tasks attributed to them under EU rules, helping workers exercise and claim their rights under EU mobility and labour migration rules.
- With regard to job guarantee instruments, a European program supporting local initiatives on the creation of direct jobs would provide employment opportunities for the long-term unemployed through a state-run programme for job seekers unable to find opportunities in the open labour market. The **Job Guarantee** should be built on the following main principles: i) offering job opportunities that align with individual competencies and career aspirations; ii) voluntary engagement of unemployed persons, with no conditionalities in the event of a refusal of job offers (like preventing access to unemployment benefits) and no repercussions for participants who choose to leave the job or programme; iii) provision of quality job offers, with permanent contracts and wages and rights in line with the relevant collective agreement and national labour standards, as well as upskilling and reskilling opportunities; iv) and a territorial approach: a bottom-up strategy anchored to social dialogue and the participation of other actors of the region to ensure that the programme responds to the unmet needs of the territory.
- Developing a strong **EWC Directive** to secure the effective access to justice and enforcement of EWCs' rights. Introducing a legislative initiative on and EU framework on information, consultation and participation of workers, including legally binding minimum standards for workers' involvement in transnational restructuring processes.
- Addressing the lack of full and proper transposition of the **Work Life-balance Directive** in several Member States, already highlighted by the Commission.
- The ETUC is calling on the European Commission to put forward as soon as possible a **Directive on telework and the right to disconnect**, in order to ensure adequate working conditions for people on telework and a better work-life balance for all workers. It should: i) Guarantee the existing right to disconnect; ii) Ensure equal pay and treatment for teleworkers; iii) Protect privacy and prevent invasive surveillance; iv) Ensure that the decision to telework is in the hands of the worker and is not about replacing workplaces; v) Guarantee trade union involvement through collective bargaining in design and delivery of telework.
- Ensuring strong **investments in care** and to create a high quality public infrastructure of inclusive and non-profit care services that are available and accessible to all and provide high quality jobs in public care service. High-quality public services are a fundamental right and must support demographic, democratic and socio-economic development. Their availability, which must be gender-responsive, is a main instrument for combating inequalities and unequal distribution of caring responsibilities while providing opportunities and high-quality jobs for all.
- Ensuring a **fair, rights-based approach to migration and asylum**. Migration needs to be fair and human rights based, and all workers, regardless of nationality, should be treated equally and have their rights

respected. Labour migration from outside the EU (3rd countries) could be improved, providing more opportunities for regular and decent labour migration pathways across skills levels and sectors. Ensuring regular migration pathways is the only way to protect migrant workers and prevent them from abuse and exploitation, including bogus postings arrangements between EU Member States.

### Social Protection and Inclusion

- Ensuring **full social protection and access to affordable and quality public services**. Building further on the Council Recommendation on Access to Social Protection in a next EU-legislature, in order to improve the coverage of non-standard workforce by social protection systems. Taking actions to enhance the monitoring of the 2019 Recommendation, including a European network of national social security institutions.
- **Enhancing robust social protection systems**, universal, effective and adequate, able to provide a decent standard of living for people encountering social risks such as old age, sickness, unemployment, etc. as a key component of the European social market economy and the European social welfare state.
- Endorsing the recommendations of the High Level Group Report on the Future of Social Protection and the welfare States in the EU as per the commitment undertaken with the Action Plan for the implementation of the EPSR: stimulating the debate for policy revision consistent with the Report recommendations among member states, identifying the areas for possible concrete actions at national level; enhancing the role of the EU for upward convergence in targeted areas the Report suggests.
- Developing highly efficient, reliable and monitored social protection systems, that should guarantee the rights of workers as per the EPSR within a given member state as well as in a cross-border dimension; enhancing the digitalization of the social security systems in order to improve transparency, certainty, monitoring and legality of social security operations both internally and cross-border.
- Building further on the 2019 Council Recommendation on **Access to Social Protection** in a next EU-legislature: calling on member states to engage in substantial reforms to ensure both formal and effective coverage of workers and the self-employed through adequate and transparent social protection schemes; improving access, effectiveness and adequacy of social protection of non-standard workforce by filling systems' gaps; addressing the existing weaknesses in formal coverage for the self-employed by promoting the evolution of the voluntary approach towards a mandatory one, which would address wider consequences of their lack of access to schemes for the functioning of labour markets, the stabilisation capacity of welfare systems and their funding.
- **Building on the Minimum Income Recommendation**: assessing its effectiveness and its societal impact within MS; **introducing a directive to define common EU standards for minimum income schemes and increase their adequacy, effectiveness, take-up rate and coverage**, with specific, to cope with **the anti-poverty strategy**, in view of achieving the **Porto Headline Target on Poverty reduction**.
- Enhancing the effective and the upward convergence in the implementation of the recommendation on affordable high-quality long-term care.



- Taking actions to enhance the monitoring of the Recommendations, including a European network of national social security institutions; further developing qualitative and quantitative indicators verifying the effective implementation of the recommendation, both in the context of the monitoring framework, and by putting forward new initiatives;
- Enhancing the role of Trade Unions in the monitoring of the Recommendations and policy developments in the area of social protection: envisaging a tri-annual flagship report, based on the contribution of MS social protection institutions and of social partners, written by the Social Protection Committee and the European Commission, in order to give visibility to trends in social protection systems across the EU, including the progress in the implementation of the recommendations of the HLG Report on the Future of Welfare;
- **Guaranteeing universal rights-based access to high-quality public services, including childcare and transport. Taking actions to ensure the full respect for the right to adequate, decent and affordable housing.** Guaranteeing quality services and a right for workers to provide quality services.
- Promoting a rights-based approach and public investment in universal, solidarity-based and gender-responsive social protection systems at international, European and national levels. Pursuing upward convergence goals and funding allocation in child, health, elderly, long-term, disability and dependency care in order to guarantee universal coverage and high-quality care.
- Building on the positive experience of **SURE**, introducing an **initiative to develop an EU instrument focusing on job retention schemes**, with a common approach to **active labour market policies**, and designing permanent EU stabilisers/reinsurance of government's expenditure on employment and social protection. SURE's scope should be expanded to **help workers and companies to adopt just transition measures**, and the coverage of such measure enlarged to all categories of non-standard, self-employed, precarious workers.
- Strongly anchoring the objective to reduce the gender pension gap to the Gender Equality Strategy post-2025.
- Building on the Minimum Income Recommendation, introducing a **directive to define common EU standards for minimum income schemes**, to cope with the anti-poverty strategy, in view of achieving the Porto Headline Target on Poverty reduction.

#### The role of the European Pillar of Social Rights in the EU architecture and economic governance framework:

- **Introducing strong social conditionality linked to all forms of public funding and support to business (including in connection with a strong EU industrial policy)** to promote quality jobs, collective bargaining, improved working conditions, quality training... This should be included also in the financial rules governing the use of EU funds (for all funds, both from the EU budget and those generated off-budget).
- **Revising the EU public procurement rules** to ensure that **public money goes to organisations (and their subcontractors) that respect workers' and trade union rights, that negotiate with trade unions and whose workers are covered by collective agreements.**
- **Establish a Social Progress Protocol, to be included in the Treaties, to guarantee that workers' and social rights take precedence over economic freedoms in case of a conflict.**

- Guaranteeing a stronger role for the European Pillar of Social Rights in the Treaties and in the EU institutional framework linking the achievement of its principles with the objective of a “social market economy, aiming at full employment and social progress” to rebalance the economic governance instruments and to ensure strong welfare states.
- Rejecting a return to failed austerity policies. **Ensuring a revision of economic governance rules that includes the termination of the EU Fiscal Compact and the reform of the Stability and Growth Pact to align it with the achievement of the rights included in the European Pillar of Social Rights.** Integrating the **EPSR in the EU Economic Governance**, building on article 148 TFEU, to rebalance macroeconomic boundaries. It is key to ensure the necessary fiscal space for MSs to finance the investments for a fair twin transition and to invest in social policies implementing the EPSR and achieving the Porto's Targets by 2030. In this respect, the current discussion about the EU Economic Governance Review is crucial. All the MSs should have the possibility to invest in social policies and infrastructures. It is key to implement a new fiscal capacity for investment, an EU sovereignty fund for just socio-economic transition and common goods, leaving no one and no region behind.
- In the framework of the revision of the economic governance rules, ensuring that when evaluating the risk position related to debt and deficit, the Commission and the Council should take in due account situation of employment, wage dynamics, poverty, social exclusion and other relevant social objectives of the economic governance. The social dimension of the economic governance is completed by requests to introduce the principle of fair and progressive taxation and protect public pensions expenditure to fulfil the principle of “ageing in indignity”.
- The work on the **Social Convergence Framework (SCF)** during the current EU-term has been a major step forward in order to anchor the social domain better in the European Semester, to better monitor social imbalances within the EU and to foster upward convergence. It continues the process of “socialization” of the European Semester and fiscal rules, giving a legal/operative leg and more relevance to the implementation of the European Pillar of Social Rights. Nevertheless, it must be enshrined in the EU economic governance architecture.
- Ensuring a timely and effective **role of social partners** at EU and National level at milestones of the European Semester, building on the recent Recommendation on Strengthening Social Dialogue.
- Ensuring that the MFF and its implementation are more consistent with EU social objectives in the post-pandemic and transitioning phase faced by the EU.
- Demanding that all trade partners recognise and respect ILO fundamental standards at work and other internationally recognised norms. This is not only an issue of policy coherence within and without the EU, but also a necessary contribution to upholding the multilateral system and ensure a level playing field.
- **Ensuring that social dialogue, social rights and the social acquis are at the core of accession discussions.** Candidate countries must ensure the full respect of social dialogue, trade unions and workers and trade union rights, as well as of the social acquis. The process of reconstruction in Ukraine must be based on social conditionalities, involvement of social partners and trade unions, respect for workers rights and decent working conditions.