



**European
Movement**
International

Future of Europe The European Pillar of Social Rights



Bringing the EU closer to its citizens

The economic and financial crisis and the aftermath of it resulted in a social crisis which increased inequality across the EU. After 2008, Europe was viewed by many as an effective Union when dealing with bank bailouts rather than the wellbeing of its citizens.

The President of the European Commission Jean-Claude Juncker addressed this one-sided approach in tackling the economic crisis during his first

State of the Union speech in 2015 by stressing the need for a European Pillar of Social Rights. In March 2016, the Commission published the first preliminary outline of the European Pillar of Social Rights. Since then, documents such as the Future of Europe White Paper and the Rome Declaration have highlighted the need for a social Europe.

We believe that a Social Rights Pillar can be a vital instrument to achieve social justice and equality in the EU, not just in the context of the Economic and Monetary Union (EMU), but in the EU as a whole. Nonetheless, it is true that the measures undertaken to make the EMU more resilient have increased the debate around the need for a stronger European social dimension. Citizens' support for

the common currency area and also its success depends largely on the level of social fairness provided to citizens. This is why the Five Presidents' Report on Completing Europe's EMU underline that "Europe's ambition should be to earn a 'social triple A'."

In order for the Social Pillar to prosper, it needs to bring real upward social convergence between and within

Member States.

Europe needs to change the narrative that sees a social model as an obstacle to competitiveness and economic growth. Never-

theless, we need to acknowledge that the EU's role within the social context has been limited to complement and coordinate national measures. These limitations are mainly due to EU primary law; no harmonisation of the social policy is mentioned in the Treaty on the Functioning of the European Union and it prohibits any EU measures that might "affect the right of Member States to define the fundamental principles of their social security systems" or "the financial equilibrium thereof."¹ In case of a revision of the Treaties, certain limitations in relation to social policy could be lifted, such as the unanimity requirement for social security matters and social protection of workers. A clause could also be added in order to guarantee

¹ Consolidated version of the Treaty on the Functioning of the European Union art 153 (4), 2012.

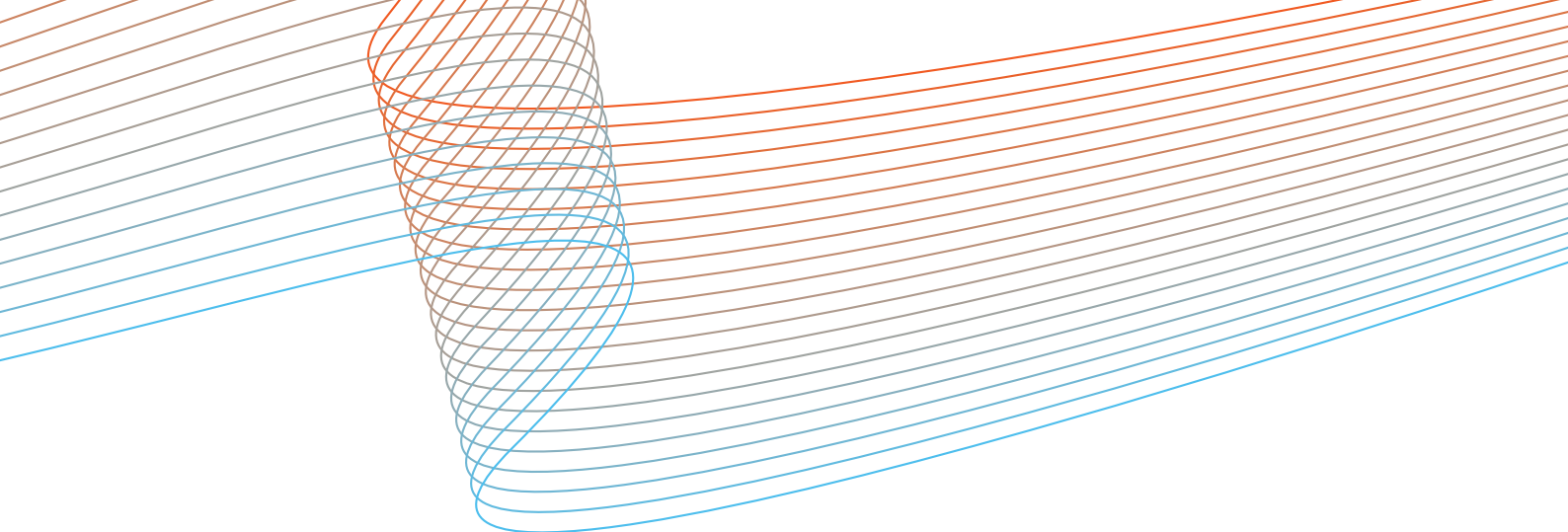


the equality of social rights vis-à-vis the four economic rights.

Collaborative work, social economy and social entrepreneurship could be promoted both as models for tackling unemployment and as models for greater social inclusion and cohesion. These practices have proven to be important in nurturing solidarity, participation and activism, and strongly contributing to the inclusion of various marginalised groups into the labour market, as well as to the greater development and cohesion of less developed regions.

Preliminary outline of a European Pillar of Social Rights

The outline published by the European Commission addresses many of the challenges ahead. Nevertheless, questions arise from the fact that it would not be legally binding. We believe that the Social Pillar should apply to all Member States, so we welcome that even though it is conceived to be established within the euro area it is nevertheless open to other Member States to join on a voluntary basis. If the Commission decides to move forward towards a non-legally binding Pillar, it should at least have concrete



objectives which Member States, regional and local authorities, as well as social partners should commit to. Additionally, the outline should focus more on people that have not secured a job..

When it comes to **flexible and secure labour contracts**, emphasis should be placed on non-standard and self-employed workers to guarantee that they have the same rights as other employees.



On **gender equality**, mothers and fathers should each be entitled to an adequate fixed period of paternal and maternal leave. More effort should be made to reach equal pay independently of gender, sexual orientation, ethnicity and social and religious background.

The outline acknowledges that much still needs to be done in relation to **equal opportunities**. We suggest that discrimination could also be addressed from a positive point of view

by raising awareness of the benefits that can arise from a diverse labour market. In general, equal opportunities and gender equality should become elements present in all the actions arising from the Pillar.

White Paper on the Future of Europe

When comparing the social dimension in the five scenarios, the second one – nothing but the single market – may trigger a race to the bottom for social rights and employment conditions; Member States would often have to solve new issues on a bilaterally and case-by-case basis. Scenario four – doing less more efficiently – could discard the EU social agenda altogether; Europe would do less in areas such as social policy and as a result social legislation would continue to vary significantly across the EU. The scenarios which focus the most on social policy are the third option – those who want more do more – and the fifth option – doing much more together. These options illustrate the possibility of having increasingly similar labour rights and social protection, though in the third scenario they will only apply to a limited number of countries, raising the risk of social-dumping.

Technology is changing jobs as we know them. Making the most of the new opportunities while trying to eliminate any negative impact on the

job market is becoming a challenge. To help in this regard, we believe that offering training and digital skills acquisition for employees could prove beneficial – not only for workers but also employers – to rip the full benefits of the growing digital economy. Moreover, establishing a Skills Guarantee as a new right for everyone could help citizens acquire essential skills needed for the green and circular economy.

A more transparent and easy-to-use coordination of **social security and pension systems** would ensure that employees do not lose out on social and employment benefits. In the long term, the establishment of a European social security card – with strong data protection – could improve EU social security coordination.

The EU should adjust its economic policy mind-set to allow an increase in national investment towards **education and training**, as well as **health and youth employment**. The Youth Guarantee should be fully implemented for all people under 30 and the Youth Employment Initiative should be strengthened. Equally important is for the younger generation to acquire a good understanding of the EU and how it works.

Lastly, in order for the Pillar to be part of the overall strategy designing the future of Europe, the social dimension

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should be streamed into current processes such as the **European Semester**. The European Parliament’s input to the future of the EU discussion goes further by suggesting a legally binding “convergence code” to monitor Member States’ budgets and necessary reforms. This initiative would guarantee compliance with the rules, given that access to EU funds would only be granted to EU countries which conform to the convergence code.

Next steps

The European Pillar of Social Rights can be a vital instrument in achieving social justice and equality in the EU. But for it to succeed, it needs to bring real upward social convergence between and within Member States. Whatever the outcome of the debate on Europe’s future, the Social Pillar should be a central element of the

agreed scenario if the EU wants to have a positive impact on the wellbeing of its citizens. The proposals for a European Pillar of Social Rights - published together with the Commission reflection paper on the social dimension of Europe - should be implemented without awaiting the final outcome of the broader process on Europe’s future, to ensure that social justice and equality in the EU can be achieved as soon as possible.



The European Movement

seeks to provide a platform to encourage and facilitate the active participation of citizens and stakeholders in the development of European solutions to our common challenges. We offer thought leadership on the issues that affect Europe and we give the opportunity to representatives from European associations, political parties, enterprises, trade unions, NGOs and other stakeholders, through our 39 National Councils and 34 International Associations, to work together, towards improving the way that Europe works.

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Co-funded by the
Europe for Citizens Programme
of the European Union