



27 November 2020

### Introduction

The public consultation launched by the Commission to feed into its forthcoming action plan to implement the European Pillar of Social Rights will allow for a broad input from stakeholders. Nonetheless, given the specific role of social partners in many of the areas covered by the pillar, to ensure that it has the right focus and impact requires us being involved in a thorough and timely way in its development and implementation. We therefore appreciate the separate track of discussions with social partners, by way of a dedicated meeting earlier this year.

***However, an important aspect is still missing from the preparations – a tripartite exchange***, to allow for EU and national social partners, national governments, and the European Commission to work together to develop the action plan. We regret that the European Commission did not take up this proposal yet and reiterate our call to the Commission to organise such an exchange before the action plan is published. We would also welcome holding such a tripartite exchange on the content of the proposed action plan at the initiative of the Portuguese Presidency of the EU Council in due time before the Porto summit of 7-8 May 2021.

***Please find below our main requests for the forthcoming action plan:***

- 1. The action plan needs to prioritise measures which will support employment and deal with the impact of COVID 19.***

The EU is currently facing an unprecedented sanitary crisis, which is having a profound impact on our economies and labour markets. This is a very different situation to when the action plan was announced by the Commission in January 2020 and even compared to when the pillar was proclaimed in 2017 with the backdrop of the 2008 economic and social crisis.

Whilst the recovery and resilience package will provide much needed investment supporting the recovery of enterprises and workers, this has to be combined with the right policies and reforms so that the available resources are well spent on projects that truly improve Europe's long-term growth and job creation potential without windfall effects. This focus on investment and reforms needs to be reflected in the approach and initiatives that will be included in the action plan, supporting economic growth as the basis for further developing the EU social model and action linked to the pillar. It is crucial that it refrains from any measures that could potentially pose additional burdens on businesses and increase unemployment.



Many important measures have been taken at national level to mitigate the impacts of the pandemic, including by social partners, in particular introduction of short-time working schemes. However, the full impact of these is not yet possible to assess, and the situation on labour markets remains very uncertain, also increasing those facing social hardship and poverty. The pillar must therefore focus on actions that support employment, ensure the good functioning of labour markets and thereby mitigate poverty risks.

This means focusing on actions aiming to strengthen coordination of national reforms to improve functioning of labour markets and making sure Member States deliver on the reforms they already promised to take. The European Semester process is the right tool for this and should therefore be at the heart of the action plan. The investments made available through the recovery and resilience facility and related national plans should act as a “carrot” for Member States to be incentivised to speed up their efforts with respect to the necessary structural labour market reforms’ implementation.

It is also important to ensure that we have good, reliable data in Europe, to support evidence-based policy-making. Eurofound plays an important role in this respect. We also call on the Commission to investigate the possibilities of using data from national administrative registers, by mapping the main content of the data gathered, data users, availability for the public etc, to ensure access to quality data.

***2. The action plan must fully respect the division of competences between the EU, national level and social partners.***

Initiatives included in the action plan must be taken at the right level, bearing in mind that the EU, Member States and social partners have clearly defined roles when it comes to social policy, enshrined in the Treaty. It is also important to respect the autonomy of social partners, as well as leaving space for them to provide their own solutions, at the most appropriate level according to national industrial relations systems. Both aspects are essential if the commission wants to keep its promise of supporting social dialogue.

The action plan must be fully in line with the commitments in the pillar itself:

- “Delivering on the European Pillar of Social Rights is a shared political commitment”.
- “The European Pillar of Social Rights should be implemented at both Union level and Member State level within their respective competences, taking due account of different socio-economic environments and the diversity of national systems, including the role of social partners, and in accordance with the principles of subsidiarity and proportionality”.
- “At Union level, the European Pillar of Social Rights does not entail an extension of the Union’s powers and tasks as conferred by the Treaties”.



### 3. *Reiterating key messages on the 3 chapters of the pillar:*

The approach and requests made in BusinessEurope's brochure on the future social dimension of the EU ([link](#)) remain valid for the action plan. In addition, regarding:

**Chapter I of the pillar: Equal opportunities and access to the labour market** – In addition to the comments above on the need to focus on supporting employment in view of the impact of COVID-19, please also find attached our calls for action regarding Active Labour Market Policies and Vocational Education and Training. On the latter issue, rather than promoting one example of tool at EU level, e.g. individual learning accounts, the action plan should focus on improving the functioning of training systems. Together with the social partners, the EU and Member States should aim to make best possible use of the social partnership culture Europe has in terms of employee training to incentivise both the provision of and participation in training activities and achieve better innovation and skills related outcomes across Europe.

**Chapter II of the pillar: Fair working conditions** – The current situation shows even more strongly the need to make our labour markets more resilient to crises. This means we need an appropriate regulatory framework, which provides for adequate flexibility on labour markets so that companies are able to create jobs and hire people and thereby provide security for workers. This includes supporting diverse forms of work as an essential way to get people back onto the labour market.

This approach is also necessary for the European Pillar of Social Rights to effectively **accompany the rapid changes in our societies and in the world of work**. For example, regarding digitalisation, the initiatives included in the action plan must fully take into account that the extent and impact varies greatly between sectors, companies and jobs. Therefore actions which take a blanket EU approach introducing new one-size-fits-all rules would not be adequately tailored to these different circumstances, as well as stifling roll-out of digital tools and innovation. Furthermore, the European Social Partners framework agreement on **digitalisation** already covers key issues related to use of digital tools at the workplace (work organisation, working conditions) and supports social partners to work together to reap the benefits but also deal with the challenges of the digital transition. This also means that a **right to disconnect** should not be introduced at EU level. The European Social Partners autonomous framework agreement specifically includes modalities for connecting and disconnecting. Jointly managing the use of digital tools with positive gains for employers and workers, is best done at the workplace, including through social dialogue. EU legislation would completely disrespect social partner autonomy. Also, existing legislation on working and rest time and health and safety at work already provides an adequate framework of protection.

We are not in favour of new EU legislation regulating working conditions of **people providing services via online platforms / platform workers**. This does not make sense, given the diversity of such work and the fact that there is not a typical 'platform



worker'. Those providing services via platforms are in the main correctly classified as self-employed and choose this type of work. Also, the Platform to Business regulation already places obligations on platforms to be transparent about their terms and conditions and to provide an internal complaint handling system. Where platform workers are found to be employees according to national legislation and the European court of justice, then they will be covered by existing social rights. Determining the status of workers should be left to the national level. The focus should be on ensuring that existing EU legislation is well-implemented, for example the Directive on transparent and predictable working conditions, which already provides new rights for workers, including those working on-demand, as well as the recommendation on access to social protection.

The action plan must fully respect, promote and support **social dialogue**, where social partners jointly request it, at the appropriate levels, according to national industrial relations systems. Further progress is necessary to ensure the more meaningful involvement of the social partners in EU policy-making, with an important focus in the coming years needed on ensuring good involvement in the rolling out of the Recovery and Resilience Facility. The action plan should also recognise and promote the well-developed EU rules regarding involvement and participation of workers, implemented effectively at national level, in line with diverse industrial relations systems. The action plan should focus on awareness-raising and guidance on the rules, for example on the European Works Councils Directive.

**Chapter III: Social protection and inclusion** - Investment in healthcare and social infrastructure has been vital to deal with the COVID-19 situation. In the long-term, growth-friendly investment will be necessary to ensure that societies become active and stable again. Measures to support the most vulnerable, i.e. unemployed and those facing poverty and social hardship, have also been vital and many are likely to continue to need social support for some time. This has to be done in a way which ensures that social protection and welfare systems can provide sustainably and adequately for future generations.

Measures are mainly needed at national level, however if done appropriately, actions at EU level can provide support and coordination between member states. For example, as highlighted in the draft council conclusions on **minimum income**, it is for member states to design and implement national provisions ensuring minimum income protection, however there could be a strengthening of the ongoing work as part of the European Semester process, including further elaboration of the EU benchmarking framework.

Regarding the forthcoming **child guarantee**, please find attached our joint European social partner statement on provision of childcare. Actions to increase economic activity of parents/care-givers are crucial in preventing children from experiencing poverty. It is also important to look at ways to further reduce early school leaving and prevent school drop outs, as this creates inequalities in childrens' chances in life. It is also very important



to strengthen the skills and capacities of public administrations to better manage the EU funding streams that can be mobilized in support of a future European child guarantee.

***In annex:***

- BusinessEurope brochure on the future of the Europe's social dimension – available via this [link](#);
- BusinessEurope's recovery plan;
- Call for actions regarding Active Labour Market Policies and Vocational education and training;
- Joint European social partners statement on childcare.