

WRITTEN INPUT TOWARDS LA HULPE DECLARATION ON THE FUTURE OF SOCIAL EUROPE AND COMMENTS ON THE BELGIAN PRESIDENCY DISCUSSION NOTE ON THE EUROPEAN PILLAR OF SOCIAL RIGHTS

3 November 2023

The European cross-industry employers BusinessEurope, SGI Europe and SMEUnited look forward to cooperating with the Belgian Presidency in the run up to the La Hulpe Summit, and we have noted that it is the intention of the Belgian Presidency to come up with a declaration on the future of social Europe on this occasion.

In our views, such declaration should be based on shared political and strategic priorities for the future European Social Agenda, rather than proposals for further legislation. European employers' organisations would like to recall that sufficient time needs to be granted for the implementation of the legislative and non-legislative initiatives adopted during the current Commission's mandate. Further evaluation of the achievements of the current legislation will require adequate time and sound evidence on implementation.

On the other hand, we also recall the need to ensure that any EU initiative fully respects national competences and the autonomy of social partners as required by the EU Treaty.

The European cross-industry employers would like to put forward the following political and strategic priorities for the declaration:

1. Enhance competitiveness by addressing labour and skills shortages: Commission President Ursula Von der Leyen has announced that tackling shortages is a key priority for the year to come. This will require the preparation of an EU action plan, which will take time to implement in cooperation between the Member States and the social partners. We encourage the Belgian government to take into account BusinessEurope's priorities for this action plan as set out [here](#).
2. Promoting mobility within the Single Market in the context of jobs and skills matching: fostering labour mobility is an important element of well-functioning labour markets, supporting employment opportunities and reducing vacancy rates. As part of efforts to promote mobility it is relevant to remove existing barriers to free movement, including fully utilise the potential of digitalised approaches to facilitating the coordination of social security and to removing disproportionate administrative barriers to posting of workers. Access to reliable information needs to be facilitated.
3. Adequate implementation of the Council Recommendation on strengthening social dialogue: Member States are responsible for implementing the recently adopted Council recommendation on social dialogue in the coming years. Part of this is about Member States creating more space where needed for autonomous social dialogue and collective bargaining. However, for social partners negotiations, the European social partners themselves are best placed to decide on the opportunity to negotiate agreements, both as part of their autonomous work programmes or in response to Commission's social partner consultations.

4. More targeted resources for the strengthening of social dialogue: Making progress in this respect will be crucial to develop further the role of social dialogue at national and EU level in the coming years. At EU level, the Commission and the Member States need to agree on a significant increase of the resources available as part of ESF+ to the strengthening of social partners' capacities and towards a differentiated approach between social partners and NGOs. Ultimately, there is a need to change the text in the next ESF+ Regulation for the period 2028 onwards. This concerns Article 9 in the current Regulation. A change would also need to be made to Article 8 of the existing Common Provisions Regulation. To take steps towards these changes in the legal text we think that an updating of the code of conduct on partnership is the right starting point. It is essential in future that there are clearly differentiated and identified resources for social partners and for civil society organisations under the ESF+.

The EU cross-industry employers' organisations take also note of the discussion document shared by the Belgian government on 28 September reflecting its views on the future actions for the further implementation of the European pillar of social rights during the next political cycle 2024-2029. At this early stage in the process, we would like to share some initial comments on the key proposals put forward:

- Right to training: The first principle of the European pillar of social rights already includes the right to quality and inclusive education, training and life-long learning. The European cross-industry employers agree that it is an important shared objective of governments and social partners to increase workers' access to trainings according to the terms established by national laws or agreed in collective agreements, taking into account national industrial relations and education and training practices. However, the EU and Member States should respect the autonomy of social partners in this respect. And the EU must respect that, as set out in article 166 TFEU, Member States are responsible for the content and organisation of vocational training and excludes the possibility to create such a right at the EU level since it specifies in its paragraph 4 that the EU can only adopt recommendations and explicitly excludes any harmonisation of national laws and regulations on vocational training policy.
- Broader initiative on wage adequacy and transparency: The minimum wage directive 2022/2041 is in the process of being transposed at the national level. It is premature to look into possible future EU legislative initiatives on wage related issues at this stage. Enough time should be left to implement the current directive and to evaluate whether it has achieved its objectives.
- Directive on psychosocial risks at the workplace: The EU strategic framework on health and safety at work 2021-2027 includes a commitment for the Commission to prepare, in cooperation with Member States and social partners, a non-legislative EU-level initiative related to mental health at work. This approach was reconfirmed at the EU health and safety summit held in Stockholm on 15 May 2023. The Commission communication on mental health published on 7 June 2023 indicated that the Commission will conduct a peer review on legislative and enforcement approaches to address psychosocial risks at work in the Member States with a view to (and subject to its outcomes and the input of social partners) present an EU-level initiative on the psychosocial risks in the medium term. The European cross-industry employers underline that there are two existing EU autonomous framework agreements on stress at work (2004), and harassment and violence at the workplace (2007). It is essential to pursue the discussions on mental health at work with the strong involvement of the social partners, whilst acknowledging that psychosocial risks might have a multiple dimension also taking sources outside of the workplace and therefore require a holistic approach.

- Directive on minimum requirements for labour and social inspections: Labour and social inspections are organised very differently across Europe. There is a variety in type of institution, governance, and scope of competences across the EU Member States. In some EU Member States with a strong social dialogue culture, carrying out inspections is the main responsibility of social partners. The European cross-industry employers consider that this variety must be preserved and that a directive on minimum requirements for labour and social inspections would not have a EU added value.
- Directive on algorithmic management and artificial intelligence in the workplace: The European cross-industry employers are aware of the Commission's ongoing activities on algorithmic management and will contribute in the work. More broadly, the European social partners need to be closely involved in EU policy debates relating to AI and the labour markets. The EU cross-industry employers also draw the attention of the Belgian Presidency, other national governments and the Commission's to the ongoing implementation of the EU autonomous framework agreement on digitalisation (2020) at the national level. AI and labour markets related issues are part of the scope of social partners activities in the framework of this agreement and we are in the process of designing a digital tool with ETUC to spread information on and encourage social partners actions across Europe.
- Social progress protocol: The European cross-industry employers do not support the proposed social progress protocol. We believe that the balance between social fundamental rights and the four economic freedoms is already secured in the EU Treaty (e.g. Articles 9, 151 and 153 TFEU) and must be preserved.
- Reinforcing social partners access to the European Court of Justice: The European cross-industry employers do not consider that there is a need for the European social partners to directly participate in the deliberations of the European Court of justice and do not see the need for a specialised social law chamber.
- Methodology for a 'social do no significant harm' principle and a social progress test: for the EU cross-industry employers, the Commission should intensify its actions to implement the much-needed competitiveness checks, which encompasses social sustainability, and take concrete actions to reduce regulatory burdens on employers as excessive burden is one of the key deterrents to employment creating investment in Europe. Social impacts of EU legislative proposals are evaluated in accordance with the applicable EU better regulation methodologies and toolbox. The social scoreboard is the right compass to regularly assess social progress across Europe.
