



# Response to the public consultation on the European Pillar of Social Rights

November 2016

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Social Platform is the largest civil society alliance fighting for social justice and participatory democracy in Europe. Consisting of 48 pan-European networks of NGOs, Social Platform campaigns to

ensure that EU policies are developed in partnership with the people they affect, respecting fundamental rights, promoting solidarity and improving lives.

+32~(0)2~511~37~14~|~platform@socialplatform.org~|~www.socialplatform.org~|~Facebook~|~Twitter



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### The social situation and EU social acquis

#### What do you see as most pressing employment and social priorities?

Several major worrying trends have increasingly negative social, economic and political consequences at EU level.

- 1. The number of people at risk of poverty or social exclusion is dramatically high, with children and people with disabilities being even more exposed to poverty than the rest of the population.
- 2. Levels of inequalities are extremely concerning, both in terms of inequalities in access to care, social, health, housing, education and life-long learning services, and in terms of income inequalities that have not been tackled by adequate political action, including with regard to the fight against tax evasion and tax avoidance. Such socioeconomic inequality is also heavily skewed along lines of race, religion, ethnicity and gender, which is a key obstacle to equality as a founding principle of the EU.
- 3. Given that employment remains an important though not the unique vehicle of social inclusion and a key protection against poverty, high levels of unemployment in the EU are also of great concern, alongside the important share of employment made up of involuntary part-time, temporary work, forced self-employment, and non-standard forms of employment such as zero-hours contracts, or even exploitation and forced labour. These forms of underemployment do not protect workers from precariousness and (in-work) poverty.

While these trends pre-date the financial crisis, their aggravation has not been accidental; it is largely the result of policy decisions made in recent years, and austerity measures aimed at boosting competitiveness taking precedence over social objectives. These trends contribute to populism, feelings of disillusionment, and distrust and violence towards many minority groups, including migrants and religious and ethnic minorities.

# How can we account for different employment and social situations across Europe?

Even though the economic crisis has been an aggravating factor, the lack of upwards convergence between Member States' employment and social performance is primarily the consequence of detrimental political decisions. While there are binding EU rules with regard to public debts and deficits, social policies remain largely a national competence, with little or no harmonisation or coordination at the European level. Therefore, Member States exhibit very different levels of social and employment protection, and conduct different policies in terms of social investment, allocating different amount of public resources to social policies and services.

These differences should be of primary concern to the EU. In a Single Market with a majority of countries sharing the same currency, economic and social decisions taken by one Member State have a direct influence on all others through spill-over effects, with the risk of some of them deciding to engage in a "race to the bottom". This situation undermines the promotion and safeguard of social rights and, equally importantly, fosters citizens' distrust towards the EU project.

This is why it is now essential to profoundly rethink the orientation of EU budgetary and economic policies, in particular by acknowledging that social expenditure is primarily a long-term investment in the development of our societies, our well-being and our economies. This could be done through introducing more flexibility for social investment when implementing the Stability and Growth Pact, namely to consider certain public social investments as having a clear positive impact on economic growth (e.g. childcare, education and training, active labour market policies, and the provision of affordable and social housing) and social cohesion as being eligible for favourable treatment when assessing government deficits. This will have to be complemented by the introduction of common standards at the EU level that we present below.

### Is the EU "acquis" up to date and do you see scope for further EU action?

Some existing instruments are well-intentioned but not properly implemented, such as the social objectives of the Europe 2020 Strategy, the Social Investment Package, the Barcelona targets, or the European Disability Strategy. Due to an unbalanced focus on budgetary objectives and a lack of effective monitoring tools to measure progress in recent years, the recommendations and objectives they set have not been adequately implemented.

Some elements of EU legislation should also be updated. Equal treatment legislation should be revised, since it has so far been impeded by the exclusion of third-country nationals from its scope, leading to unequal access to rights and services in law and in practice to all categories of migrants. Employment legislation should also be updated to make sure that all forms of employment, including bogus self-employment or employment in the collaborative economy, guarantee access to social security and social rights. Updated legislation is also needed to clarify which minimum rights are available to mobile EU citizens that have lost their status in their hosting country.

In other domains, new legislation is needed. We make the following proposals: the introduction of an EU directive on adequate minimum income; the launch of a legislative proposal to develop a coherent framework for all types of parental leave to address inequalities between men and women in paid and unpaid work; the rapid adoption of the Equal Treatment Directive (COM(2008)426); the adoption of a European Accessibility Act that includes adequate accessibility provisions for people with functional limitations; and legislation that protects the rights of vulnerable consumers. Specific recommendations and benchmarks linked to these proposals are mentioned in answers to question 10 and in the section "Detailed comments by domain".

Moreover, the EU should push Member States to rapidly ratify the Revised European Social Charter and its collective complaint mechanism.

### The future of work and welfare systems

#### What trends would you see as most transformative?

- 1. New ways of work
- 2. Inequalities
- 3. Poverty and social exclusion

#### What would be the main risks and opportunities linked to such trends?

Without concrete action to tackle inequalities in the European Union, the feeling that the EU is not able to protect its residents from hardship would reinforce public distrust towards the institutions. As a consequence, this could lead to growing ethnic tensions and trends of xenophobia in many Member States. The EU must therefore do more to explore the links between austerity, social exclusion and rising tensions, and propose concrete initiatives to reverse these trends. Reducing inequalities would also bring important savings in the long-term, as underlined by the OECD and the ILO, while the costs of inaction would be very high.

With regards to new forms of employment, even if they might under certain circumstances be beneficial to workers, they also bring several risks. They can lead to work and stress levels intensification, the blurring of boundaries between work and private life, the outsourcing of employers' responsibilities with regards to health and safety, and social and professional isolation of workers. The increasing flexibility required from workers also entails further job precariousness and leads to situations of underemployment.

In order to best take advantage of the opportunities offered by evolutions in the labour market, several conditions with regards to quality employment have to be respected: adequate remuneration (including adequate minimum wages), security of contracts and protection of employment rights, access to social security, accessibility and reasonable accommodations, arrangements for balancing professional and private lives, and sound prospects of career progression.

On top of that, it is important to bear in mind that a more encompassing view that is not only focused on employment is needed to fight poverty, since some people cannot work or cannot work for part of their lives. This is why we need adequate income support, a social protection floor for everyone and universal access to quality, affordable and accessible services.

# Are there policies, institutions or firm practices – existing or emerging – which you would recommend as references?

Several good instruments have been initiated at the European level in the past, and have led to interesting practices that could be used as references.

This is the case, for instance, for Commission Recommendation 2008/867/EC on the active inclusion of people excluded from the labour market, the Social Investment Package and the Recommendation on Investing in Children, or the 20% of the ESF earmarked for social inclusion. They have led to encouraging actions at the national, regional and local levels. The Youth Guarantee is another positive initiative in favour of the inclusion and activation of young unemployed people. However, important differences in the degree of implementation

have also been underlined by the Commission, with some Member States performing better than others.

The main problem with these instruments is that their delivery largely depends on the willingness of Member States to take effective action, and this willingness can often be constrained by restrictions in public expenditure imposed at EU level. This leads to a lack of consistency in the levels of implementation.

This is why the EU should adopt binding legislative instruments when feasible, and improve the implementation, monitoring and accountability of soft-law initiatives. The EU should endorse a cross-cutting approach that ensures coherence and complementarity between economic health and social policies - including through granting budgetary flexibility to investments in social policies and services - and more broadly across the whole policy spectrum. When making decisions in relevant policy fields (taxation, trade, competition, education etc.), social rights should be safeguarded and promoted.

Moreover, the European Pillar of Social Rights will have to be applied to the EU as a whole and not the euro area only, to avoid a further lack of consistency in implementation.

### The European Pillar of Social Rights

# Do you agree with the approach outlined for the establishment of a European Pillar of Social Rights?

0	I strongly agree		
•	I agree		
0	I disagree		

I strongly disagree

# Do you agree with the scope of the Pillar, domains and principles proposed?

	I strongly agree	I agree	I disagree	I strongly disagree
1. Skills, education and life-long learning	0	•	0	0
2. Flexible and secure labour contracts	0	0	•	0
3. Secure professional transitions	0	•	0	0
4. Active support for employment	0	•	0	0
5. Gender equality and work-life balance	0	•	0	0
6. Equal opportunities	0	•	0	0
7. Conditions of employment	0	•	0	0
8. Wages	0	•	0	0
9. Health and safety at work	0	•	0	0
10. Social dialogue and involvement of workers	0	•	0	0
11. Integrated social benefits and services	0	•	0	0
12. Health care and sickness benefits	0	•	0	0
13. Pensions	0	•	0	0

14. Unemployment benefits	0	•	0	0
15. Minimum income	0	•	0	0
16. Disability benefits	0	•	0	0
17. Long-term care	0	•	0	0
18. Childcare	0	•	0	0
19. Housing	0	•	0	0
20. Access to essential services	0	•	0	0

### Are there aspects which are not adequately expressed or covered so far?

There is an excessive focus on employment and employability of people, including on issues related to gender equality and equal opportunities. However, while employment remains an important vehicle of social inclusion, it is not the panacea to social problems, nor it is enough to protect people from hardship. On the one hand, there are people in our societies who cannot work or cannot work for part of their lives. On the other, earning a wage is not always sufficient to protect employed people from experiencing poverty and social exclusion.

In addition to this biased focus, several elements are also missing in the proposal.

Civil dialogue and the meaningful involvement of people should be included. Civil society organisations are an important engine of social innovation and are the only ones to represent the interests of people that gather around specific characteristics: young and older people, women, children, people living in poverty, people with disabilities, carers, migrants, the LGBTIQ community, ethnic and religious minorities, etc. In accordance with Article 11 of the Treaty on the EU, the need for civil dialogue at European and national level should be recognised and promoted.

The link with existing instruments and policies and the reference to implementation and monitoring tools to ensure that the Pillar delivers the promised results are also missing. Specifically, there is no mention of taxation nor of the financing of our social protection systems and of quality, affordable and accessible services - aspects that should receive specific attention since they constitute key investments in the long-term.

Finally, migrants who are not legally residing in an EU country currently fall outside the scope of the Pillar, causing susceptibility to exploitation in employment and discrimination and unequal access to goods, justice and services. Instead, all people, regardless of their status and in the whole EU and not the euro area only, should be covered by the Pillar.

## What domains and principles would be most important as part of a renewed convergence for the euro area?

- 1. Equal opportunities
- 2. Wages
- 3. Unemployment benefits
- 4. Minimum income
- 5. Access to essential services

Achieving upwards convergence in these domains would guarantee every person's fundamental right to live a life in dignity and fully participate in society. It would also ensure more resilient and better performing economic systems, and could restore people's faith in the EU project.

This is why Social Platform asks the EU to:

- a. Adopt the Equal treatment Directive (COM(2008)426) to close the gap in protection against discrimination in access to goods and services, which is an essential complement to equal treatment in employment and occupation.
- b. Support a progressive raise in the level of minimum wages in full respect of the national wage fixing method used, through social dialogue or by law towards 60% of national median wage in all MS. This level of minimum wage should be applied in a non-discriminatory way to all workers irrespective of the type of contract.
- c. Ensure the existence of adequate unemployment benefits schemes in all Member States that are not linked to negative conditionality, are accessible to job-starters and to non-standard forms of employment, and are set at a higher level than adequate minimum incomes.
- d. Adopt an EU framework directive on adequate minimum income schemes that would set common methodologies for defining adequacy (e.g. 60% of national median income, material deprivation or reference budgets) and common approaches to improve coverage and take-up, including common information requirements and the promotion of the principle of proactive granting of benefits.
- e. Ensure right-based and non-discriminatory universal access to quality and affordable care (including care at home and care in residential services), social, health, housing, education and life-long learning services through an integrated approach, as well as adequate funding to allow a free choice of care options (including support to informal carers), peer support and home schooling.

More information is provided in the section dedicated to "Detailed comments by domains".

# How should these be expressed and made operational? In particular, do you see the scope and added value of minimum standards or reference benchmarks in certain areas and if so, which ones?

Ensuring that all the principles enshrined in the Pillar are implemented effectively and deliver tangible and measurable results requires policy coherence. A new, cross-cutting approach

that relies on the expertise of civil society organisations and other stakeholders is necessary to properly safeguard social rights and ensure complementarity between economic and social policies, and more broadly across the whole policy spectrum (taxation, trade, competition, education, health etc.). Budgetary discipline should not take precedence over the fulfilment of the principles enshrined in the Pillar and protected by European and international law. MS should be given more budgetary flexibility to make sure they allocate adequate funding for investment in social policies and services. A reform of tax systems to prevent tax avoidance and evasion is also very important to increase MS budgetary capacity.

Beyond these principles, several instruments should be used to make the Pillar operational. Legislation should be prioritised when a legal basis exists, for example in the field of employment, equal treatment and social security coordination. In other domains benchmarks should be developed and integrated into existing governance frameworks, and particularly the European Semester. To be effective, these benchmarks should rely on measurable and comparable indicators - under the control of policy-makers - provide guidance and support to MS, and facilitate the exchange of best practices. Examples of specific benchmarks for each domain are provided in the next sections.

There is also a need to ensure better implementation of existing relevant policy frameworks, such as the Europe 2020 Strategy, the Sustainable Development Goals, the Social Investment Package (including the Recommendation on Investing in Children and the Commission Staff Working Document on "Confronting homelessness in the European Union") or the Active Inclusion Recommendation. The Commission should also guide MS in a more effective use of ESIF.

### **Detailed comments by domain**

#### Skills, education and life-long learning

Education and skills development are not only means to enter the job market, but primarily instruments for personal, community and social development that support knowledge of rights and participation in socially cohesive societies.

It is equally important to remember that education must be inclusive and adapted to everyone's needs, especially those who are the most disadvantaged. Segregation and discrimination (including on socio-economic grounds) must be combatted. In the case of people with disabilities, this would be in line with Article 24 of the UN Convention on the Rights of People with Disabilities.

Moreover, a more holistic view of education is needed as outlined in Articles 28 and 29 of the UN Convention on the Rights of the Child. The importance of non-formal education alongside formal education should also be recognised and the validation and certification of skills acquired through non-formal education should be enhanced. The key role civil society organisations play in the provision of education and lifelong-learning services should also be better recognised and supported.

With regard to instruments that could be used to achieve these objectives, we think that reference must be made to the existing Education and Training 2020 framework of the European Union. This framework contains interesting benchmarks that must be met by 2020, such as the reduction of the rate of early leavers from education and training aged 18-24 below 10%, or the increase of the rate of adults participating in lifelong-learning to at least 15%.

To ensure adequate investment in education is not undermined by cuts to public expenditure, we call for more budgetary flexibility for investment in education within EU economic governance, specifically to recognise the long-term positive impact of investment in education on economic growth, making it eligible for favourable treatment when assessing government deficits.

#### Flexible and secure labour contracts

Social Platform's main priority is the creation of quality and sustainable jobs. We are therefore concerned that the Commission's emphasis seems to be on flexibility rather than security of labour contracts.

There are indeed several risks linked to more flexible labour contracts. They often lead to the creation of few, poor quality, unsustainable jobs, with detrimental effects throughout the life cycle. As confirmed by Commission documents, transition from temporary to permanent contracts remains very low. Even though job flexibility can sometimes favour a better work-life balance, according to Eurostat 29.2% of part-time employment is involuntary.

Every form of employment, including part-time work and atypical contracts, has to respect fundamental principles of quality. These include an adequate level of remuneration, access to social protection provisions and contributions, and possibilities for progression in employment. With regards to remuneration, minimum wage levels should also be applicable

to temporary and atypical contracts, and to part-time employment (that mainly affects women), set in proportion to their full-time equivalent. The level of protection for temporary contracts should also be raised to the standards of permanent contracts.

These different aspects are crucial to fight in-work poverty, precariousness and underemployment that often characterise bogus self-employment, work in the black economy, and new forms of employment in the so-called collaborative economy. Self-employed people also often lack security and protection.

Social Platform would like to draw attention to the importance of the social economy, which offers many advantages in comparison with other forms of employment. It contributes to society in both social and economic terms by providing essential services and offering training and employment to those having the hardest time accessing the labour market.

#### Secure professional transitions

Social Platform welcomes the attention paid to the preservation and portability of social and training entitlements accumulated during a person's career.

Moreover, we support the right of all people to have access to individualised job-search assistance and training, and we stress that this should be provided at the earliest stage possible. It should also be specified that job-search assistance can be useful to people beyond legal retirement age and people who are already in a working relationship, since it might help them remain integrated in society, escape precarious working conditions or build a career that increases their skills.

However, we regret that entitlements for job-seekers and people outside the labour market are presented as disincentives to re-start work. This may be used as a gateway for negative activation with conditionality and sanctions, with a very negative impact on, for example, family carers and people who stopped working for medical reasons. It has been shown that large coverage, take-up and adequate levels are essential to guarantee the stabilisation effect of unemployment benefits and minimum income schemes (see points 14 and 15). In particular, making forced volunteering a condition to access benefits is not acceptable.

The issue of re-entering the labour market after periods of care or other career interruptions should also be taken into account. Adapted reintegration schemes should be offered by public employment services in such cases, and an assessment and validation of people's skills should take place afterwards.

Access to services for the unemployed should be mentioned, since they play an important role in keeping people integrated in society. The lack of reference to access to services is really problematic, as they are crucial components to secure professional transition, and prevent the unemployed from falling into the poverty trap.

#### **Active support for employment**

Although unemployed people under the age of 25 and long-term unemployed people must be supported, the narrow focus on these two categories only is problematic. The section does not look at the specific obstacles faced by other groups who are furthest from the labour market, such as single parents, informal carers, people with long-term sickness, disability or health

problems, migrants and people from ethnic and religious minorities. Where older people are dismissed and unable to re-enter the labour market or access their pension and where rehabilitation and return-to-work schemes are unavailable or of bad quality, the specific issue of active ageing should also be tackled.

With regards to the support provided to long-term unemployed people, it should be further emphasised that individualised assessment and guidance should ideally start in the first month of unemployment; well before 18 months, which is too late as a threshold.

The notion that access to placement services must be free should also be mentioned, in accordance with Article 29 of the EU Charter of Fundamental Rights. These services must be available to all and managed by national authorities.

More generally, it should be recognised that active support for employment goes beyond education, skills development or assistance provided by placement services. It includes the provision of reasonable accommodation, adequate income support, and rehabilitation for people with disabilities. These elements ensure access to employment, better job retention and career development, and have a positive effect on healthcare as well as a social integration outcome. They contribute to creating a more comprehensive approach that also helps to prevent unemployment before it occurs.

The role of employers in the fight against unemployment could also be stressed. Adequate measures should be taken to increase the engagement of employers in activation programmes, including through legal frameworks, adequate support and guidance.

#### Gender equality and work-life balance

It is very concerning to see that gender equality is only addressed as a way to increase women's participation in the labour market. A much more encompassing perspective is needed that considers girls and women of all ages and can be integrated in other domains of the Pillar, including all aspects of health and long-term care policies and services.

This includes the adoption of the Equal Treatment Directive (COM(2008)426) to close the gender gap in protection against discrimination in access to goods and services. Benchmarks concerning the provision of essential services should drive the implementation of principles enshrined in Protocol 26 of the Lisbon Treaty, such as universal access, quality, safety, affordability and the promotion of users' rights. European Structural and Investment Funds should be targeted to improve provision of these services.

With regard to employment-related issues, strong action is needed to progressively fill in the pay gap as well as the pension gap that is close to 40% in the EU. In particular, periods dedicated to informal care for family members should guarantee the right to pension benefits after retirement.

A legislative proposal should be tabled to develop a coherent framework for all types of leave, address inequalities between women and men in paid and unpaid work, and promote the equal sharing of responsibilities and costs for care for all dependents. To encourage more men to benefit from parental leave, this should be fully paid or equal to at least 80-90% of their salary, and the principle of non-transferability should be applied.

Moreover, female migrant domestic and care workers, irrespective of their status, should not suffer from unequal treatment in terms of pay, working conditions and access to social security. Reliance on undeclared or undocumented migrant women has indeed often become necessary to allow women to better reconcile work and family life, given Member States' failure to provide adequate services.

#### **Equal opportunities**

Non-discrimination should be applied as an overarching principle. Moreover, alongside discrimination based on gender or gender identity, racial or ethnic origin, religion or belief, disability, age, sexual orientation, discrimination based on socio-economic background also deserves specific attention. Furthermore, migrants should be covered by protection against discrimination.

Barriers to equal opportunities extend well beyond discrimination in the workplace, and include systems of structural inequality and racism in European societies. Migrants, ethnic, racial and religious minorities are not only restricted in access to the workplace, but are overrepresented in low-skill, low-pay and flexibilised work and face barriers in access to education and other services. The EU must work toward a common framework for the collection of robust and disaggregated data on the status of ethnic, racial and religious minorities and migrants in all fields of social and economic policy. Such data should form the basis of proactive and specific strategies to correct inequalities based on race, religion and ethnicity. Adopting the Equal Treatment Directive (COM(2008)426) to close the gap in protection against discrimination in access to goods and services is essential.

The EU must ensure that the principle of non-discrimination is properly implemented, with steps to sanction Member States when EU equality law on employment and race is not implemented. Several reports have indeed demonstrated that discrimination in employment, occupation and vocational training is still widespread in the EU. Improving implementation could be achieved by increasing people's rights-awareness and knowledge of relevant procedures to claim rights or seek redress for rights violations. The EU itself must commence infringement proceedings when Member States do not respect EU non-discrimination law, for example in cases of practices which restrict the wearing of religious and cultural clothing and identifiers.

#### **Conditions of employment**

The right to clear information on the obligations and rights derived from employment relationships, the need to ensure reasonable duration for probation periods and to set clear and fair rules in cases of dismissal are all legitimate concerns. They can also be linked to the work undertaken by the European Platform on undeclared work.

However, other key components of employment should be addressed as well to ensure quality employment in the European Union. For Social Platform, quality work and employment implies that workers of all ages need a job that gives them a salary allowing them and their families to lead a dignified life, which provides them with stability, personal safety, accessible and reasonable accommodation, paid leave and decent working hours (with particular attention paid to the risks linked to informal overtime), which is conducive to their mental and physical health, in which people can join a union to represent their rights, and in which they are protected by individual and collective labour law.

Alongside adequate remuneration, access to social security and arrangements for balancing professional and private lives that are further developed in other sections, and the possibility of career progression should also be part of a comprehensive approach on employment. Appropriate training should be made available to workers in a life-long learning perspective, since it is an important aspect of well-being at work.

Incorporating all these aspects into employment policies is crucial to fight in-work poverty, precariousness and underemployment, especially in light of the emergence of new forms of work in the collaborative economy, and of the spread of involuntary part-time and bogus self-employment.

Moreover, the issue of non-discrimination on any grounds should be at the heart of any action related to conditions of employment.

#### **Wages**

Being entitled to adequate minimum wages is a right for all workers. Moreover it limits inwork poverty, which affected an estimated 9.5% of the working population in the EU in 2015. Raising the lower wage segment also boosts internal consumption and demand.

High minimum wages are a key component of comprehensive income support schemes: they leave room for adequate minimum incomes while preserving incentives to work. Social Platform thus argues for a positive hierarchy between minimum income, unemployment benefits, and minimum wage, all set above the poverty line. As a general rule, we consider that minimum wages should be set at a level of at least 60% of national median wage. This benchmark will however have to be tested for its adequacy in real price terms, for example by the use of reference budget methodologies.

As wage-setting is a national competence, the European Commission should support the introduction of adequate minimum wages in respect of national wage fixing methods through country-specific recommendations (CSRs) within the framework of the European Semester. CSRs should call for a progressive raise in levels of minimum wages towards the 60% of national median wage threshold. Attention should also be paid to the need for policy coherence, especially since in recent years a significant number of CSRs called for reforming wage-setting mechanisms, which often led to decreasing wages.

Statutory and collectively agreed minimum wages are not mutually exclusive: statutory minimum wages can apply to sectors that are not covered by collective bargaining, fully respecting the role of social partners.

Minimum wages should be set in a non-discriminatory way, irrespective of contract type. Discrimination based on age or gender are not tolerable, and strong action is needed to close the gender pay gap. Workers with disabilities and disadvantaged workers should also receive minimum wages on an equal basis with others. Where appropriate, wage subsidies could be granted to employers by public authorities.

#### **Health and safety at work**

Social Platform welcomes the claim that protection against occupational injuries and ill-health must be guaranteed to all workers irrespective of their form of employment. The recognition of the role of employers in reintegration and rehabilitation efforts is also very important. We regret, however, the lack of reference to further EU-level legislation on occupational health and safety that would support a preventive and life-cycle approach.

While we regret that the Commission decided to end the process to revise the Maternity Leave Directive, we still think this Directive is very important to improve the health and safety at work for women. The period of maternity leave should have a duration of at least 20 weeks, and protection against dismissal and working time arrangements on return to work should also be strengthened. All eligibility criteria for maternity leave should be removed to encourage freedom of movement of working women. We expect the Commission to take these concerns into consideration when providing alternative solutions in the framework of the Roadmap.

Moreover, while tackling physical risks is important, for example on the issue of chemical products, psychosocial issues must also be properly addressed. Increasing stress levels, burnouts, psychological injury and poor performance due to mental health issues are becoming bigger problems, and lead to situations of absenteeism or presentism for example. In this regard, it is important that all workers are ensured decent working hours, with particular attention paid to informal overtime. A strategy at EU level is needed to better promote mental health prevention among Member States, although a legislative framework addressing exposure to mental health risks at work could be even more beneficial.

Ensuring adequate protection against violence, moral and sexual harassment and raising awareness of complaint mechanisms is also of primary importance.

#### Social dialogue and involvement of workers

Social dialogue is an important component of social and industrial relations. However, in many countries, social dialogue structures have been undermined since the onset of the crisis.

This is particularly true in the sector of social services. This makes it very difficult for social partners to discuss and negotiate on common responses to the main issues affecting them, including difficulties in recruitment and retention. This places further pressure on their ability to produce quality care and support services.

For these reasons, the development of social dialogue structures at national and European level must be strongly supported by public authorities. This would help improve relationships between employers and employees, and would also ensure a better implementation of the principles enshrined in the Pillar.

We would also like to draw attention to the need to promote cooperatives as possible alternative forms of businesses that promote the full involvement of workers who acquire the status of members and who actively participate in setting their policies and decision-making.

However, in accordance with Article 11 of the Treaty on the European Union, a point dedicated to "civil dialogue and involvement of citizens" should be added alongside "social

dialogue and the involvement of workers". Civil society organisations represent groups that are not necessarily represented by trade unions and have important contributions to make in the implementation and design of social policies. This is the case, for example, for disability or patients' organisations, organisations of informal carers, organisations representing people experiencing poverty, including homelessness, organisations fighting discrimination on all grounds, or organisations representing older people. As the Pillar of Social Rights must endorse a comprehensive view on social questions that is not only focused on employment, the involvement of civil society organisations is essential.

#### **Integrated social benefits and services**

Better integration of benefits and services, and between different types of services (e.g. social, health, education, employment services, housing), is very important to improve access to them and their effectiveness. It is essential that the Commission guides MS in the design and delivery of individualised approaches to integrated social benefits, services and active labour market policies, in dialogue with regional and local authorities, service providers and users' organisations.

However it must be ensured that tightened eligibility and conditionality criteria do not result in punitive approaches, thus leading to a reduction in access to benefits and services. It is important to avoid that people are scared of sanctions, not to undermine the essential relationship of trust, between the case manager/job search adviser and the user. To ensure high coverage and take-up, we instead promote the principle of proactive granting of benefits and services through better information, and their automatic provision when possible. This would make clear that they are a right and would decrease stigmatisation.

Moreover, the principle of integration between benefits and services should be mainstreamed across the Pillar, well beyond an employment-centric stress on work inclusion services only; those beyond legal retirement age, those not able to work, those taking care of dependent relatives, for example, are just as entitled to comprehensive income and services support as employable people.

On service provision, the outline overlooks two equally important dimensions: quality and users' participation. The SPC voluntary European Quality Framework for social services and the Commission European quality framework for early childhood education and care should be used as a reference for MS in the setting up of quality frameworks. The focus on users' participation is essential to promote a person-centred provision of services that is tailor-made to the specific needs of each user.

#### Health care and sickness benefits

Cuts to social protection and services, as well as to quality work and early learning, are proven to be key determinants of increasing health inequalities.

The Pillar must make clear that investment in health promotion, disease prevention and health system infrastructure is central to underpinning economic stability and social cohesion. It should not rest so heavily on the pursuit of cost-efficiency at the expense of quality, accessibility, and affordability. Cost-efficiency is both difficult to measure and often ineffective in improving health systems. End users should be at the centre, and users as well as informal carers should be involved in health care and sickness benefits reforms.

The Pillar must also emphasise the importance of addressing health inequalities and the barriers to care that vulnerable groups face, such as high levels of out-of-pocket payments. Growing out-of-pocket payments drastically reduce access to health care and increase unmet health needs, as well as poverty. Dental care, for example, is rarely covered. However, it plays a significant part in both social and professional inclusion.

Universal access to health care also relies on fair and equal access to medicines. Nevertheless, it appears that patients across Europe may suffer from a lack of affordability of many life-saving medicines. The outline does not mention the problem of rising prices of medicine and the need to support generic brands.

A clear commitment to achieving universal health coverage, feeding into and benefitting from action to reduce the prevalence of non-communicable diseases, is a measurable, achievable and evidence-based starting point.

Mental health should also be treated as equal to physical health in all Member States. In order to ensure that people have access to quality mental and physical healthcare, including to a range of treatment, - such as psychosocial interventions - reference should be made to mental health in this section.

#### **Pensions**

Adequacy and coverage should have a more prominent role in this section. The section does not clarify how to make labour markets inclusive and accessible for older workers as retirement age increases. Solutions also need to be found for those sectors in which working until old age is not sustainable.

Declining trends in healthy life years, the different nature of jobs, as well as differences in life expectancy between low and high income quintiles, must also be considered when setting retirement ages. This would allow for a raise in the effective pension age without risking increasing sick leave or inactivity of those who can no longer work.

The simple raising of statutory retirement ages, which unfairly prejudices those living in poverty whose life expectancy is much shorter, represents a regressive and discriminatory measure.

Statutory minimum pensions should be adequate to live a life in dignity, including in case of long-term care and health care needs. Indexation of pensions in line with wage and price growth is an important factor to overcome pension devaluation.

A major challenge is represented by precarious jobs and increasing contract flexibility. A low income means young people are particularly unlikely to be able to save, while some precarious work contracts typically do not allow for contributing to statutory pension schemes.

The need to ensure adequate, universal statutory pensions should be clearly mentioned, rather than focusing on occupational and personal pensions, which unfairly discriminate against low income households, precarious job statutes and sectors in which few collective agreements exist to create obligations for employers to fund occupation pensions.

Internships, apprenticeships and temporary work should be able to count as working time, giving rise to adequate statutory pension entitlements.

The reduction of the gender pension gap, which is of 40% in the EU, is also an important goal, and care credits could be one way to achieve this.

#### **Unemployment benefits**

Unemployment benefits have an important role to play both as a solidarity mechanism and economic stabilisers. As demonstrated by research, the stabilisation capacity of unemployment benefit schemes is determined by their coverage and generosity. Strict eligibility criteria that include restrictive conditions of access and reinforced job search obligations linked to sanctions lead to reduced coverage, duration and take-up of unemployment benefits. This inevitably undermines their stabilisation effect.

The first preliminary outline of the Pillar focuses too much on conditionality and puts too little emphasis on the adequacy of unemployment benefits. While bringing unemployed people back into employment should be a priority, this should be done through a positive approach based on incentives rather than sanctions. Personalised pathways should be provided to support access to quality jobs and strengthen employment perspectives, taking due account of beneficiaries' personal situation including care responsibilities, with the final aim of reducing benefit dependency for people who can work. Employment services should be adequately funded and staffed to allow them to provide quality support to jobseekers, including appropriate training.

With regards to the levels of unemployment benefits, they should respect the positive hierarchy we recommend between minimum incomes, unemployment benefits, and minimum wages, all set above the poverty line. This would prevent both poverty and inactivity traps.

Finally, across most Member States, to receive unemployment benefits young people have to have contributed to the unemployment benefit system via employment for a minimum period of 12 months. This one-year period is extremely difficult to achieve for young people who often have to do several internships or short-term jobs before getting a first stable job. Access to social benefits should be ensured to job-starters, self-employed and non-standard forms of employment.

#### **Minimum income**

Minimum income schemes prevent people in vulnerable situations from being trapped in poverty. The right to an adequate minimum income should therefore be recognised as a fundamental right and should enable people to live a life in dignity, support their full participation in society and ensure their independence across the life cycle.

A new and stronger basis for action is needed, and we consider that a key role of the EU lies in the development of an EU framework directive. From the current EU Treaties, Article 153, 1 (h) TFEU should be used as the legal basis for such a directive.

The framework directive should set common methodologies for defining adequacy (e.g. 60% of national median income, material deprivation or reference budgets) and common

approaches to improve coverage and take-up, including common information requirements and the promotion of the principle of proactive granting of benefits.

It should ensure that minimum income schemes are developed, implemented and monitored with key stakeholders and shaped within a comprehensive active inclusion approach that goes beyond activation and the "one-stop-shop" idea, and does not include negative conditionality.

It should also promote monitoring and adjudication by independent national bodies and procedures in cases of disputes between the administration and recipients.

Progress towards the realisation of adequate minimum income schemes should be assessed through existing governance frameworks, and particularly the European Semester.

#### **Disability**

The focus is overly on employment, rather than rights of people with disabilities. However, the right to live independently and be included in the community (Article 19 UN CRPD) is very much dependent on disability benefits for those people with disabilities who cannot work or cannot find work. There needs to be specific reference to this within the Pillar itself.

Independent living is a key factor in keeping people in/getting people with disabilities back to work when possible. In this sense, it is fundamental to combine work with benefits (especially in-kind benefits/services) and to avoid that these are withdrawn once a person with disabilities is employed.

People with psychosocial disabilities as well as old people are sometimes excluded from seeking benefits. Moreover, there is a general tendency to tighten eligibility (including disability recognition criteria) and levels of benefits for budgetary savings. The EU should look into how disability is recognised by Member States and how disability benefits are designed, and then provide guidance and share good practices to ensure that every person with a disability who needs disability benefits is covered by national social security systems.

Services should enable an independent, dignified life, with adequate income security, and proactive support into quality jobs. The provision of individualised services can only be delivered by well-trained professionals. Given growing staff shortages in the area of care and social support, policy-makers must take pro-active steps to ensure there is a sufficient number of adequately qualified professionals able to provide individualised support or care services. In order to ensure the provision of adequate policies and services, people with disabilities and their representatives should be consulted in every step of the process.

Adoption of relevant legislation, such as the Accessibility Act, and harmonisation to the highest standards of the EU Passengers legislation are fundamental.

#### **Long-term care**

The active role of long-term care (LTC) users and their families should be recognised. Adopting an individualised, tailor-made approach – which takes into account the needs and desires of the person – does not necessarily translate into more expensive LTC. Instead, it leads to more effective outcomes and strengthens the preventive (cost-saving) side of

interventions. Supporting informal carers is key to ensure quality integrated care, respectful of individual choices, and to move towards a community-based model of care. Any LTC policy should be designed, tested, implemented and evaluated in cooperation with informal carers and users.

The present formulation also fails to recognise the potential of integrated care, since people who have multiple care needs usually receive health, LTC and social care services from different providers in different care settings. Acknowledging this would be in line with domain 11, where the call for integrated social benefits and services is formulated as a general principle. Integrated care means that the design and delivery of care is made in a more effective and efficient manner. Reference to this should be made and an integrated approach be developed.

Affordability should be defined, taking into account the circumstances of individuals and their family, particularly for people on low incomes.

By stressing demographic challenges, the present formulation of the domain seems targeted at older people only. People with disabilities and long-term illnesses, as well as any other users of LTC, should be equally and explicitly included.

Despite reference to Article 19 in the background fiche, this central tenet of the UN CRPD is given little consideration in the wording of the domain itself. Much more needs to be done to bring it in line with deinstitutionalisation, the right to live independently and be included in the community. There is also no reference here at all to core concepts like dignity, individual autonomy, freedom of choice, and independence of people.

#### **Childcare**

The specific focus on children from disadvantaged backgrounds and on preventative approaches to address child poverty is welcome.

However, the proposals make no reference to the Barcelona targets which would ground them in existing obligations. A benchmark on childcare in line with the Barcelona targets, ensuring a focus on flexibility and quality of childcare and provision for under three years old should be developed. In many Member States, childcare entitlements indeed begin after three years of age and much of the childcare currently provided is not flexible and on a part-time basis, which does not allow for full-time working hours for parents, particularly women.

What is also missing is the participation of employers in providing childcare facilities as part of their efforts to support work-life balance, as well as the recognition of the role of carers, including family carers who should be entitled to social rights.

More emphasis is needed on quality, accessibility and availability of early childhood education and care, as these are key to counter the intergenerational transmission of poverty and should never be conditional on parents' working or job seeking. A key concern is proximity of childcare placements to house/place of employment, as well as the link to affordable, frequent and reliable transport. A mention is needed on support for children with specific needs, integrated into comprehensive childcare and education systems, and against segregated services, as has been done for Roma children. Services should be adapted to meet the needs of a wide and diverse range of families.

The rights of the child should be more clearly highlighted, in line with the UN Convention on the Rights of the Child (UNCRC).

In accordance with the UNCRC, states are obliged to financially support parents in need to allow them to freely choose care and education arrangements, be it formal childcare, care and education facilities at the workplace or peer support.

#### Housing

The rights-based approach should be strengthened, making reference to EU and international obligations and case law.

Shelter and social services for homeless people are important but are temporary solutions and must lead to adequate housing.

Concrete suggestions for EU-level actions to ensure access to safe, adequate and affordable housing for all include: use of international and European jurisprudence on housing rights to develop benchmarks; a composite housing exclusion index in the Semester; promotion of the Housing Partnership created of the EU Urban Agenda and Pact of Amsterdam; supporting transnational exchange on housing exclusion and homelessness; scaling up innovative housing solutions, initiatives to decriminalise homelessness; and support for effective use of EU funds. Key priorities include stimulating the supply of adequate housing options that are safe, affordable, and accessible for different income groups of society to prevent segregation; increasing the quality of existing homes; a housing cost guarantee after energy-renovation; integrated strategies to tackle homelessness; and addressing energy poverty.

Failures in the housing market e.g., land shortage, insufficient supply of affordable rental housing and excess supply of high-priced condominiums, fiscal subsidies for homeownership and cost overburden in the private rented sector (27% at EU level) should be addressed, including tenure neutral policies and rental regulation such as rent caps.

The Pillar should help to scale innovations such as 'Housing First', which combine rapid access to housing with personalised support for homeless people with complex needs.

Missing is the link with health services. Homeless people are at risk of unmet health needs. Reference to accessibility and reasonable accommodation should be mainstreamed in line with the UN CRPD, together with deinstitutionalisation, independent living and inclusion.

As people's needs change over time, adaptability should become a requirement for new buildings.

#### **Access to essential services**

It is important that the lack of availability and accessibility of essential services such as electronic communications, transport, energy (including electricity and heating) and basic financial services, is clearly acknowledged, as the lack of these services or existing barriers to access them directly and disproportionally impacts the most vulnerable members of society; notably elderly people, individuals with lower education and people with disabilities. It is important that the Commission monitors the transposition and implementation of the directive on basic bank accounts. The Commission should take a broader approach to ensure

financial inclusion. It should propose, amend or update legislation and policy measures to ensure non-discriminatory and affordable access to credit, savings and insurance, as well as tackling the growing problem of over-indebtedness.

Besides accessibility and affordability, it is fundamental to stress the importance of universality of coverage and quality of these services.

The right to energy represents another essential service that should be guaranteed to everyone and specific measures should be taken to fight fuel poverty.

The EU institutions and Member States should also ensure that all inhabitants enjoy the right to water and sanitation in the EU, as it is not the case in some Member States.

The outline of the Pillar mentions some specific social services, but not all. We recommend that access to social services in a comprehensive way (including, for example, counselling and support services, and support for people with addictions) is guaranteed to all people living in the EU. Counselling and support services should not be provided only when the problem has arisen, but also before, as a preventive measure.

The text should also reassert the public service obligations of all Services of General Interest - which represent a common good - to be accessible, affordable and of good quality to promote social inclusion and prevent poverty.