The role of the European Pillar of Social Rights for ‘cold’ and ‘warm’ solidarity

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UCSIA, 12 September 2019
Overview

• What is the European Pillar of Social Rights (EPSR)?
• Role of the FEAD in the implementation of the EPSR
• Other relevant initiatives to implement the EPSR
  • Those already taken
  • Some ideas for future initiatives
• Some conclusions
European Pillar of Social Rights

• Commission Juncker: ambition to ensure a ‘social triple A rating’ for the EU
• Context of growing criticism on the ‘social deficit’ of the EU
  • The predominance of the ‘market’ over the ‘social’ in policy and case law
  • Austerity measures imposed in response to the financial crisis
  • Negative effects of ‘social competition’ in the internal market (posting of workers)
  • Reluctance of MSs to accept EU’s interference in their welfare state
European Pillar of Social Rights

• Main objective: rebalancing the social and economic dimensions of the EU
• Broad consultation in 2016
• Commission’s proposal in April 2017
• Inter-institutional proclamation of 17 November 2017
  • Ambiguous legal status, including the mix of ‘principles’ and ‘rights’
  • Not directly enforceable
  • Requires implementation (legislative and other) at the level of the EU and/or the Member States
  • Political commitment at the highest level
European Pillar of Social Rights: main features

• 20 rights and principles
  • Mix of what exists in other instruments and of new elements

• 3 chapters:
  • ‘Equal opportunities and access to the labour market’
    • Such as: ‘the right to quality and inclusive education’
  • ‘Fair working conditions’
    • Such as: ‘the right to fair wages that provide for a decent standard of living’
  • ‘Social protection and inclusion’
6. Wages

Workers have the right to **fair wages that provide for a decent standard of living.**

**Adequate minimum wages** shall be ensured, in a way that provides for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. **In-work poverty shall be prevented.**
12. Social protection

Regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to adequate social protection.

14. Minimum income

Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market.
15. Old age income and pensions

Workers and the self-employed in retirement have the right to a pension commensurate to their contributions and ensuring an adequate income. Women and men shall have equal opportunities to acquire pension rights.

Everyone in old age has the right to resources that ensure living in dignity.

16. Health care

Everyone has the right to timely access to affordable, preventive and curative health care of good quality.
European Pillar of Social Rights: implementation

• Implementation by EU, the Member States and the social partners

• At EU level:
  • legislative measures (pre-existing and new proposals);
  • ‘soft law’: recommendations, communications
  • Funding (such as ESF+ and FEAD)
    • 25% of ESF+ earmarked for social inclusion
  • Impact on the yearly cycle of economic governance (European Semester)
European Pillar of Social Rights and FEAD

- Commission staff document of 2018 on the implementation of the EPSR:
  - FEAD supports the implementation of principle 14 (minimum income) and principle 19 (housing)
- FEAD mid-term evaluation 2019, reference to:
  - Childcare and support for children
  - Minimum income
  - Healthcare
  - Housing assistance for the homeless
- Ambiguity: FEAD’s little financial scope and its operational focus on food aid
EPSR: Initiatives already taken: legislative

- **Work-Life balance Directive 2019/1158**
  - Maternity and paternity leave; parental leave; care leave

- **Directive 2019/1152 on transparent and predictable working conditions**
  - See workers in gig-economy and other forms of precarious work
  - Refers to principles 5 (‘secure and adaptable employment’) and 7 (‘information about employment conditions’)
  - Guarantees more transparent and predictable working conditions as well as some minimum rights which apply to every worker
EPSR: Initiatives already taken: non-legislative

- Recommendation on access to social protection for workers and the self-employed (to be adopted)
  - Particularly relevant for the self-employed and the non-standard workers
  - Growing situations of coverage gaps due to variable and irregular work patterns
  - Member States are recommended to provide access to adequate social protection
    - Formal and effective coverage
    - So far no sufficient support for a legally binding instrument
      - Even the Commission’s draft recommendation is watered down in the Council
EPSR: Initiatives already taken: non-legislative

- **Creation of the European Labour Authority (Regulation 2019/1149)**
  - New EU body to assist Member States and Commission in their effective application and enforcement of the EU law related to labour mobility
    - Free movement for workers and equal treatment; social security coordination system; posted workers; social aspects of road transport
  - Facilitate access to information on rights and obligations
  - Promote and enhance cooperation and facilitate joint inspections, including on undeclared work
  - But no European labour inspectorate
  - Mediate between Member States in cases of cross-border disputes
EPSR: impact on European Semester

• Enhancing the ‘socialisation’ of the European Semester through inclusion of a range of employment and social benchmarks and objectives in the yearly country specific recommendations
  ▪ Recommendations on: minimum wages; social housing; poverty; social inclusion; ...

• ‘Social scoreboard’ which benchmarks performances of the Member States vis-à-vis the EU averages and measures societal progress, such as:
  ▪ At-risk-of poverty or social exclusion rate, including severe material deprivation rate
  ▪ Adjusted gross disposable income of households in real terms
  ▪ Compensation of employees per hour worked
  ▪ Impact of social transfers on poverty reduction
EPSR: impact on European Semester

• Sufficient to balance between monetary, economic and social objectives and policies?
  • Will the main focus remain on monetary and economic policies, making social policies subject to them?

• What is the real impact of the country specific recommendations (CSRs) on the social policies of the Member States?
  ▪ Tendency to worsen the implementation of the CSRs by the Member States
  ▪ Weaken the role of the European Semester in the implementation of the EPSR
EPSR: some ideas on future initiatives

• Framework directive on decent working conditions
  • To tackle in-work poverty
• Framework directive on minimum wages
  • No EU initiative so far on minimum wages, despite Juncker’s promise in 2014
  • Or at least benchmarking on this issue
• Framework directive on minimum income
• More legally binding instruments on access to social protection and housing
EPSR: some ideas on future initiatives

• Further enhance the ‘socialisation’ of the European Semester
• Financial solidarity mechanisms at EU level
  • Implementing the EPSR by the Member States will cost money
  • Idea of an EU unemployment reinsurance scheme
  • Fund to boost investment in social infrastructure
  • More money for the existing Funds
EPSR: some conclusions

• Not legally binding
  • Not enforceable rights
  • But may influence the case law of the Court of Justice
    • Including its internal market case law to better balance the ‘social’ aspect and the ‘market’
  • Needs implementation
• A (re-)statement of values at the highest level
  • Political commitment of both the EU and the Member States
  • Instrument to mainstream social priorities across the board of EU policies, including EU macro-economic and fiscal policies
    • Compare the social mainstream clause in Article 9 TFEU
EPSR: some conclusions

• Most of the competences and tools required to deliver on the EPSR are at national level
  • EPSR has the potential to steer the Member States’ social policy, mainly through the European Semester

• An agenda-setter
  • Ursula von der Leyen has announced an ‘action plan’ for further implementation of the Pillar
  • Hearing at the EP of the new ‘social’ Commissioner
EPSR: some conclusions

• A compass and leverage for developing ideas and for lobbying on how to bring about a ‘European Social Union’ and to boost the EU’s social credentials
  • Opportunity to make of EU’s social policy an autonomous policy field
  • Opportunity to re-legitimise the EU
Thank you for your attention

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