22.07.2016

**Memo: European Pillar of Social Rights**

1. On 8 March 2016 the European Commission published the communication “**Launching a consultation on a European Pillar of Social Rights**”[[1]](#footnote-1).

The President of the European Commission, Jean-Claude Junker, announced this initiative already in his State of the Union address in the European Parliament on 9 September 2015: “We have to step up the work for a fair and truly pan-European labour market. (…) As part of these efforts, I will want to develop a European Pillar of Social Rights, which takes account of the changing realities of Europe's societies and the world of work. And which can serve as a compass for the renewed convergence within the euro area. … I believe we do well to start with this initiative within the euro area, while allowing other EU Member States to join in if they want to do so.”[[2]](#footnote-2)

1. The communication explains the reasons for the proposal of a European pillar of social rights and presents the procedure of the public consultation, which will be concluded by 31 December 2016.

The communication is accompanied by:

* the “First preliminary outline of a European Pillar of Social Rights”[[3]](#footnote-3);
* the Commission staff working document “The EU social acquis”[[4]](#footnote-4); and
* the Commission staff working document “Key economic, employment and social trends behind a European Pillar of Social Rights”[[5]](#footnote-5).

**III.** The communication exposes the ***rationale*** for the initiative towards a European pillar of social rights.

1. In the time of ***crisis*** it could be observed that those Member States performed well in which ambitious and efficient social policies are “a central part of their growth model”[[6]](#footnote-6).
2. ***New challenges*** can be foreseen and have to be dealt with: changes in the societal structures, e.g. by the development of demography; changes in the world of work, e.g. by digitalisation. Labour markets and welfare states have to find an answer to these changes.

Built on the principle of subsidiarity the European Union has to play a responsible role as laid down in the Treaties and with its legal acquis in the social and employment policy area[[7]](#footnote-7).
3. In the last years the social and employment performance between Member States has become ***more unequal*** than before the crisis. This affects also the ***euro area***, as “too strong divergences in labour market and social performance create a threat to the functioning of the euro area”[[8]](#footnote-8). That is why the proposal addresses first the members of the euro area and invites the other 9 EU Member States to join.
4. The ***aims*** of the European pillar of social rights shall be:

1 .The pillar shall lead “as a compass”[[9]](#footnote-9) to an ***upward convergence*** in the social and employment area first within the euro zone, then beyond.

2. It shall “become a ***reference framework to screen*** the employment and social performance of participating Member States, to ***drive reforms*** at national level”[[10]](#footnote-10).

1. It shall become a contribution to deepen the ***European Economic and Monetary Union***, for which a White Paper by the European Commission is foreseen for spring 2017.
2. In its “***first preliminary outline***” of the pillar the Commission proposes three main areas. Two of them are dedicated to labour and employment, the third to social protection. 20 principles are assigned to the three areas[[11]](#footnote-11):

***Chapter1 - Equal opportunities and access to the labour market***

1. Skills, education and life-long learning

2. Flexible and secure labour contracts

3. Secure professional transitions

4. Active support for employment

5. Gender equality and work-life balance

6. Equal opportunities

***Chapter 2 – Fair working conditions***

7. Conditions of employment

8. Wages

9. Health and safety at work

10. Social dialogue and involvement of workers

***Chapter3 – Adequate and sustainable social protection***

11. Integrated social benefits and services

12. Health care and sickness benefits

13. Pensions

14. Unemployment benefits

15. Minimum income

16. Disability benefits

17. Long-term care

18. Childcare

19. Housing

20. Access to essential services

The principles shall “cover EU citizens and legally residing third country nationals”[[12]](#footnote-12).

1. Regarding the ***implementation*** the principles have a different character: Some refer to EU competences, so that a legislative act can be taken, others are beyond this competence but political guidance –e.g. through the European Semester – can be sought. The latter might result in recommendations, proposed by the European Commission, adopted by the Council.
2. The public consultation will conclude on 31 December 2016. The ***objectives of the consultation*** are
* the assessment of the acquis,
* the analysis of the new trends, and
* the outline of the pillar.[[13]](#footnote-13)

The Commission will have specific meetings with the social partners.

The Representations of the European Commission will organise conferences in the EU Member States about the proposal of the pillar.[[14]](#footnote-14)

In November this year the Commission will hold a European conference on the issue in Brussels.

1. The ***Questionnaire***[[15]](#footnote-15) can be and should be answered by the CEC TRG ESI.

Of course, there are more possibilities to react.[[16]](#footnote-16) CEC is already involved in some meetings and conferences the Commission organises as civil dialogue about the pillar in Brussels.

Although in these very difficult times of the European Union it is not easy to estimate in which direction European policy discussions will develop in the coming months. The 20 principles are almost not proposing new EU competences, that might also be criticised, but which makes it easier for discussions with the Member States governments. In the end most significant is the question about the concrete substance of the principles and the implementation.

It is striking that the Communication never refers to the ***Europe 2020 strategy*** and its aim for a smart, sustainable and inclusive growth, including targets on employment, education and the fight against poverty and social exclusion.

On the other hand we know that the Commission has started to work on a concept for the EU policy on the agreed ***UN Sustainable Development Goals*** (SDGs), which cover also some of the rights of the pillar, but which is also not reflected in the Communication.

1. Many ***critical questions*** can be raised, on different levels, for example:
* Does the differentiation between euro zone states and other EU Member States make sense, knowing that labour rights relate to the Single Market of all 28 EU Member States? Does the EU lose the objective of social cohesion?
* How can a social upward convergence be achieved by the proposed pillar? Minimum standards on a European level imply the risk of a dynamic of downgrading.
* Does the aim of a social upward convergence not need social investment and financial incentives, which would define social policy not only as a cost but as a productive factor of economy? But how this can be brought into balance with a Stability and Growth Pact which focusses mainly on budgetary consolidation?
* What is the relation between principles and rights in the Commission documents?
* Why does the Commission never refer to social rights, established by other European and international organisations, such as the Social Charter of the Council of Europe or the ILO?
* Is it the right time to discuss a comprehensive EU social pillar – as far as it is comprehensive? – and not more urgent to tackle in-depth and very concrete social problems such as youth unemployment and the question of the future and integration of the refugees in the EU?

But it should be welcomed that the Commission revitalises the debate on a ***social Europe*** with the Communication and the public consultation, which is worthwhile to be taken up by CEC and its constituency. If we think about what the EU should deliver and what churches have asked for in their commitment to the European project then one main aspect was and is social welfare.[[17]](#footnote-17)

1. EC Communication, 8.3.2016; COM (2016) 127 final. [↑](#footnote-ref-1)
2. EC Communication 127 final, p2. [↑](#footnote-ref-2)
3. Annex 1 to COM (2016) 127 final. [↑](#footnote-ref-3)
4. SWD (2016) 50 final. [↑](#footnote-ref-4)
5. SWD (2016) 51 final. – The four documents are available in all EU languages: <https://circabc.europa.eu/faces/jsp/extension/wai/navigation/container.jsp>. [↑](#footnote-ref-5)
6. EC Communication 127 final, p2. [↑](#footnote-ref-6)
7. The legal acquis means the existing EU legislation in the social and employment policy area, particularly through Directives, based on the Treaties. See also the Commission staff working document about the EU social acquis (SWD (2016) 50 final. [↑](#footnote-ref-7)
8. EC Communication 127 final, p5. [↑](#footnote-ref-8)
9. See footnote 2 – Junker’s speech. [↑](#footnote-ref-9)
10. Annex 1 to COM (2016) 127 final, p2. [↑](#footnote-ref-10)
11. Annex 1 to COM (2016) 127 final – the whole document. [↑](#footnote-ref-11)
12. Annex 1 to COM (2016) 127 final, p2. [↑](#footnote-ref-12)
13. EC Communication 127 final, p9. [↑](#footnote-ref-13)
14. See document:160629ESO national events schedule. [↑](#footnote-ref-14)
15. See: attachment „Questionnaire“ in the e-mail. Not every question must be answered. [↑](#footnote-ref-15)
16. This can be more extensively discussed in the next TRG meeting. [↑](#footnote-ref-16)
17. Open letter CEC to churches and partner organisations in Europe: What future for Europe? Reaffirming the European project as building a community of values, June 2016: <http://www.ceceurope.org/open-letter/>. [↑](#footnote-ref-17)