TOIMIHENKILÖKESKUSJÄRJESTÖ



The EU Pillar of Social Rights

Taina Vallander 26.10.2016



The EU Pillar of Social Rights:

- Was proposed by president Jean-Claude Juncker in his State of the Union 2015 speech. To be part of the deepening of the EMU and the European Semester – the economic drive of the comission among Euro-countries.
- "I will want to develop a European Pillar of Social Rights, which takes account of the changing realities of 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 Member States to join in if they wish to do so."
- > The draft for the Pillar of Social Rights was published in March 2016 and opened for the public consultation.

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Consultation process

- Public consultation process
 - Goes on until the end of December 2016.
 - Commission wants to involve "everyone":
 member states' authorities, social partners, civil society, citizens etc.
 - **ETUC** has drawn up its response, which was adopted 6th of September 2016.
- The COR will discuss its statement in the plenary session in October 2016.
- The European Parliament will discuss its consideration 7th January 2017.
- The EESC will discuss its statement in the plenary session on 25-26th January 2017.
- Commission will hold a seminar in Brussels 23rd January 2017.
 - > Probably not publishing a proposition of the pillar, but results of the public consultation.

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The three main aims of the public consultation process:

- To make an assessment of the present EU social "acquis": Which existing rights are practiced and remain relevant for today's and tomorrow's challenges? Should we consider new ways to deliver on these rights?
- To reflect on new trends in work patterns and societies:
 What has been the impact of new technologies, demographic trends and other factors on our working life and social conditions? Which best practices and lessons from social innovation should be actively encouraged?
- To gather views on the outline of the Pillar of Social Rights and help Member States outside the euro area to determine whether to opt in: What will be the role, scope and content of the Pillar as part of the social dimension of EMU? What are the euro area's needs? What are the challenges related to the principles put forward under the Pillar?

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The pillar includes three main categories:

- 1. Equal opportunities and access to the labour market
- 2. Fair working conditions
- 3. Adequate and sustainable social protection
- These are all important demands of the European trade union movement
- During and after the economic crisis loud demands how EU should keep and develop balance between the economic and the social rights and Social dialogue should be deepened and intensified.
- Great excisting problems in several member states when it comes to mobility of labour.
- Unhealthy competition between the member states keeping up the competitiveness: trampling workers rights, lowering the corporate taxes etc.

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1. Equal opportunities and access to the labour market:

- skills development, life-long learning and active support for employment
- elements which are indispensable to increase employment opportunities, facilitate transitions between different employment statuses and improve the employability of individuals.

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2. Fair working conditions:

- Needed to establish an adequate and reliable <u>balance of</u> <u>rights and obligations between workers and employers</u>.
- Make sure that there is <u>evenness between flexibility and</u> <u>security</u> to facilitate job creation, job take-up and the adaptability of firms, and <u>promoting social dialogue</u>.

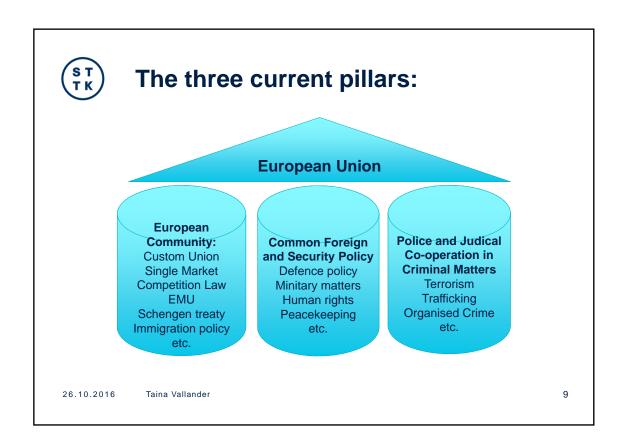
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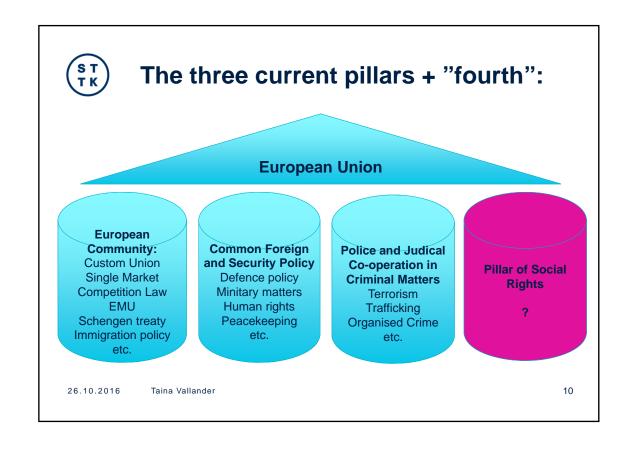


3. Adequate and sustainable social protection:

- Includes <u>access to health</u>, <u>social protection benefits and high</u> <u>quality services</u>, including childcare, healthcare and long-term care, which are essential to ensure a dignified living and protection against life's risks.
- Enables citizens to participate fully in employment and, more generally, in society.

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Questions, problems and criticism 1:

- The EU jurisdiction/competence on the matters which social pillar includes is weak:
 - No exclusive competence, <u>only shared or supporting</u> <u>competence</u> + the priciple of subsidiarity
- No political will to expand the current competence the EU has.
- The role of EU: to give <u>recommendative guidelines and benchmarking of the best practices</u>.
- ➤ Will it be enough to solve the problems?

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Questions, problems and criticism 2:

- Does EU have a true ability to tackle the existing social challenges:
 - High unemployment (especially youth unemploymet)
 - Increasing poverty.
 - Dumping of workers rights especially when it comes to mobility and posted workers.
- Does the pillar give any aid in tackling these challenges?
 - Can jobs truly be created when the economical growth is modest or poor?
 - Also to build a inclusive social security and safetynet the member states need a solid economical growth.

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Questions, problems and criticism 3:

- Will the recommendations of the new Social European Semester be creating a new minimum standard or actually a maximum standard for social security, wages etc.:
 - Member states competing to create the best environment for the investments and companies by lowering their standards?
 - Joint responcibility or even recommendations among the euro-countries on social benefits: common unemployment fund, pension fund etc.?
 - Commission counselling on <u>wage formation</u> violating the free right of the parties? European minimum wage?

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Questions, problems and criticism 4:

- Why only euro-countries?
 - Social pillar should be seen as a project of the whole EU.
 Otherwise it has no true meaning.
 - Development of the Social Pillar should be based on the ratification of the ILO agreements.
 - > It would prevent confusion and collision with the global jurisdiction.
 - Social pillar covering the whole EU would also prevent dividing into two different areas deepening integration in different pace or creating different means to develop their competitiveness.
 - EU-wide pillar would probably respect the national differences better then the euro-wide.

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Questions, problems and criticism 5:

Forgetting someone?

- The draft of the EU Pillar of Social Rights does not recognize the differences between the position of men and women on the labor market or when it comes to the need of social security, education etc.
- High youth employment and the youth poverty throughout Europe should be recognized more clearly.
- Immigration and refugees from outside of EU does not show in the pillar although their amount is increasing.

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