

# The Pillar of Social Rights in the EU

# Social Europe: call for urgency

The European Union brought its members peace and prosperity. Peace can only be sustainable if and when the state can also provide protection, freedom and welfare for all people in an equal way. Hence, the European states' peace project led to the creation of a comprehensive welfare state in the second half of the 20<sup>th</sup> century, including strong social protection.

The Treaty establishing the European Economic Community clearly included the necessity to bring about a social Europe. Over the years, this has resulted in European legislation to lay down minimum standards in all Member States. Directives on safer working conditions, equality between men and women, and protection against discrimination in the workplace were the first steps towards defining a Social Europe.

However, a broader European social framework as a logical consequence of economic integration that would respond to more global challenges did not happen. In 1986, the creation of the internal European market coincided with a growing belief in the free market and in the deregulation which manifested itself so fiercely.

Slowly, the social dimension became snowed under by the economic market and money project. Today, a social Europe is needed more than ever before. This has become evident from various developments, especially after the crises, all of which have created a feeling of insecurity among European citizens. This is why we Greens identify the further development of social Europe as vital and a priority for further development of the EU. It is the only way Europe can offer effective protection. This resolution gives a clear and concrete response to this call for urgency, which can be achieved in both the short and medium term.

## Vision: Green agenda for social and ecological justice

For the Greens, social justice and ecological justice are inextricably linked. A sustainable society can only be achieved if we move to social equality and inclusion. This is why, according to the Greens, the core of the economic and social agenda should comprise measures that reduce social inequality, exclusion and poverty; promote gender equality; contribute to the creation of sustainable and high-quality jobs; and provide for the necessary social investments, e.g. in health, education and affordable housing, in a fossil-free economy and other strategic sectors.

As Greens, we believe that Europe should seize the opportunity of the European Pillar of Social Rights to confront these challenges in a sustainable way and to win back the hearts and minds of Europeans. We insist on strengthening a social dimension, along with an upward convergence of social standards throughout the whole EU.



# EGP Council, Antwerp, 18 - 20 May 2018 Adopted Resolution

The Greens insist on a trend reversal in the vision of the Commission and the Council which, until now, have considered that social policy primarily means job creation based on a recipe of deregulation, flexibility and a race-to-the-bottom approach. With the European Pillar of Social Rights (EPSR), the European Commission wants to remain true to its promise to achieve a social triple-A rating for Europe. This EPSR is a framework with principles and rights that should set the standards for both an employment and a social policy, at the national and European level. It was signed by the Commission, the European Parliament and the Council at the Social Summit in Gothenburg on 17 November 2017.

If the EU is serious about implementing this Pillar, and wants to deliver results, it must now develop concrete tools and instruments to turn the principles of a social Europe into reality, as stated in the EPSR, in its Member States. We Greens insist that Europe provides us with strong instruments, legislation as well as financial incentives to reach high minimal social standards everywhere in the EU. The European Parliament must have an important role in the implementation and follow-up of this Pillar. The EP insists on clear and transparent reporting on the progress made regarding implementation of the EPSR.

Currently, the EP can only request the Commission for legislative initiatives by tabling resolutions. This must change. The Greens strongly urge that the EP should be able to propose legislation and instruments. This will require an adaptation of the Treaty. At the heart of our vision of a social Europe stand social investments. We need social investments in various fields, such as education, child and health care – both curative and preventive – and in housing in all Member States, but at the very least in those in the Economic and Monetary Union (EMU). Social investments are the best instruments for fighting poverty and social exclusion. They ensure valid social protection and provide for good social services of general interest, open to all citizens, so that people can live in dignity and can participate actively in society throughout their lives. Social investments cannot be seen as costs since their social revenue is priceless, leading to resilient and empowered individuals and communities, reducing costs for unemployment, poverty, disease, crime, etc. Thus, they must be considered as long-term profitable investments.

# Therefore, the European Green Party is demanding eight concrete actions for the strong implementation of the EPSR.

These actions do not require legislative changes to the Treaty as they can be implemented within the current economic framework.

In addition to these short-term proposals, we are examining the idea of the mid-term introduction of a European unemployment insurance that can guarantee a basic coverage for EU citizens and which should be supplemented by national unemployment benefits. We also believe that a debate on further measures is necessary, such as the introduction of a European child benefit or even a European basic income.

## 1) A roadmap for higher levels of public social investment in all Member States

Member States are granted the flexibility to deviate temporarily from their budgetary objectives, under the preventive arm of the Stability and Growth Pact (SGP), providing a number of conditions are met. In practice, however, this flexibility has failed to provide sufficient leeway for social investment. The Greens have identified solutions within the current framework of European governance.



The Greens consider that at least four areas of public social expenditure should be considered for exemption from the corrective and preventive arm of the SGP: early childhood education and care; primary and secondary school education; training and active labour market policies; and affordable and social housing. These fields are increasing prosperity because they improve labour productivity and reduce societal inequality. By doing so, they even generate savings in public budgets in the medium and long run.

The Greens want the European Commission to promote these merits and positive impacts of social investment and to work towards a broader and better implementation of the budgetary possibilities offered by the SGP when it comes to social investments within the Member States. The Commission can do this in the framework of the European Semester. Special attention will be given to those Member States which face the greatest social challenges.

## 2) A directive on an adequate minimum income

Europe must deliver a directive on adequate minimum incomes, which should become legally binding and enforceable in all Member States. This is an absolute necessity to provide sufficient protection against poverty and social exclusion across Europe, so that people can participate fully in society and live their lives in dignity. The directive should lay down the conditions and common principles that enable Member States to provide for minimal protection so as to align their policies to guarantee equivalent protection to each and every European citizen. The conditions should state that countries which already have strong minimal protection do not lower this to a European minimum standard. For greater social protection of cross-border free movement of workers, the directive should also include better access for EU citizens to national minimum income schemes.

# 3) A directive on a threshold for fair working conditions

At the same time, the EU should work on a directive on fair working conditions, with a view to providing for decent work. This legislation is needed to ensure that every employee has the right to enjoy fair working conditions, regardless of the type and duration of his/her contract. The same rights should be granted to those active in new forms of work, as those working on new technologies. We defend the principle of "equal pay for equal work in the same workplace" for all workers.

## 4) Uniform European rules on minimum wages

Rules on minimum wages should be based on rules for a minimum wage that is at least 60% of the median wage to avoid a race to the bottom. Such a stipulation should call a halt to the working poor. It should take into consideration the (changing) needs of employees and their families and be applicable in a broad sense. The conditions should state that countries which already have a high minimum wage do not lower this to a European minimum standard. For this, we ask for a framework directive. Minimum wages, minimum income and fair working conditions can and will only be achieved thanks to a strong social dialogue with social partners in all EU Member States. The Greens want the EU to facilitate and encourage this.

# 5) A horizontal anti-discrimination directive

In order to avoid that who we are or what our background is should determine whether we have access to basic services such as education and health services, we insist that the Council finally approves the horizontal anti-discrimination directive.

## 6) The social scoreboard as an input to the European Semester



We insist that the European Semester enforces clear green and social objectives in the same restrictive manner as the Semester is currently imposing on budgetary rules. The social scoreboard (which is part of the EPSR) must be turned into an instrument for a sustainable European Semester.

# 7) Work-life balance

To maintain the balance between work and private life, the European Commission has proposed, together with the EPSR, to adopt a directive on work-life balance. The proposal should be amended to ensure paternity leave is compulsory, to open up paternity and parental leave to all parents, irrespective of their gender or marital status, to provide a more extensive leave for carers, to ensure all family and care-related leaves are paid, and to regulate the workload and duration of work over the working week as well as the duration of an individual's career.

# 8) Gender mainstreaming in the EPSR

The European Greens have introduced horizontal gender mainstreaming throughout the EPSR by means of an obligatory gender impact assessment, to ensure equal opportunities for men and women and to increase the participation of women in the labour market. The notion of gender is interpreted in the broadest sense possible, taking into consideration gender identity and gender expression, to be inclusive for all, including those who do not have a male or female gender identity or for those with both identities.



## BACKGROUND: facts and figures Analysis of the current social situation in the EU

In 2015, one in four children was at risk of poverty in the EU. The Europe 2020 strategy target to lift 20 million people out of poverty and social exclusion by 2020 seems unattainable. Single-parent families and people born outside of the EU represent even higher risks, from 40% to 50%. The risk of poverty for the unemployed and the so-called working poor increased in nearly all EU countries between 2007 and 2015. Income inequality is also rising.

Competitiveness, one of the characteristics of the free market, has led to lower wages and, in many cases, to less social protection. The consequences are well known: social dumping and draining capacity from East to West, and workers suffering from less protection or becoming victims of fraudulent practices.

Meanwhile, automation as well as globalisation are leading to competition between countries on the basis of labour costs and resulting in the loss of jobs all over Europe and exploitation of those living in low-cost countries. In particular, jobs that require a medium level of education are disappearing, while unemployment among youth, seniors and people of colour remains very high in several countries. Recently, there seems to have been a slight fall in unemployment, although in many cases new jobs are temporary, part-time or lowquality, or they require a growing degree of flexibility and skillset.

Technology has revolutionised the way people access and provide information, communicate, socialise and work. On the one hand, this may create new opportunities to participate in public and political discussions, open up new prospects for a self-determined life and thus provide enormous employment and economic potential for the EU and beyond. On the other hand, currently we cannot predict how technological progress will shape the future of work. The European Greens will be at the forefront of steering the course of digitalisation in a socially just, inclusive and sustainable way, reducing inequality and ensuring that all human beings have equal opportunities to develop their individual personality, talents and skills.

As Europeans are living longer and having fewer children, there will be a major challenge as regards balancing societal revenues and expenditures and safeguarding the financing of the social security system.

Policies in the euro-zone have been ineffective in reacting adequately to these trends and evolutions. Indeed, the euro-zone policy even contributed to the problem. Strict rules on debts and deficits in the budget, and on social deepening and political governance without stabilising mechanisms, leave little space to handle economic shocks in individual countries. Countries rely on eliminating expenses and on wage reduction or stabilisation in order to improve their competitiveness.