



## REPORT

### Implementing the European Pillar of Social Rights: Obstacles and Opportunities

Conference at the European Economic and Social Committee on 12<sup>th</sup> July 2017

18 July 2017

#### Introductions

**Pavel Trantina**, President of the Section on Employment, Social Affairs and Citizenship, EESC

Pavel Trantina opened the conference by highlighting the importance of exchanging with the wider public. Against this background, the EESC organised discussions on the European Pillar of Social Rights (EPSR) with organised civil society in all EU Member States (MS) throughout the autumn of 2016. Trantina welcomed the EPSR, but considered that many expectations have been raised and that the implementation process remains unclear. He stressed the importance of creating a Europe which benefits all and to address issues such as social progress and productivity, the future of work, fairness and inclusiveness. Furthermore, the EPSR should apply to all MS, although it could be possible that some special mechanisms would be needed for the Eurozone.

He argued strongly in favour of a European minimum income, a European social investment plan and more sustainable social security to truly protect people's fundamental rights during all phases of their lifecycle, to distribute resources and to achieve a better balance between economic and social goals. Mr Trantina concluded that the EPSR should not remain a statement of principles, but needs to become an integral part of the discussion on the future of Europe.

**Heather Roy**, Secretary General, Eurodiaconia

In her opening address, Heather Roy shared her regret of the fact that the EPSR will apply primarily to the Eurozone, potentially leaving some countries with important social challenges out of the picture. She stressed that social issues are not confined to national borders, but affect people across borders. Therefore, she welcomed the EPSR which, although not perfect, contains highly promising proposals concerning key issues for Eurodiaconia, such as accessibility and affordability of quality long-term care, universal access to housing and adequate minimum income.

Page 1 of 7





Eurodiaconia and its members have a strong interest in the third chapter, as it allows to move beyond an employment-centred approach to include all persons across the lifecycle, including those unable to work for different reasons. Ms Roy regretted that this chapter seemed to face the strongest opposition by MS. She concluded that it was now time to focus on the implementation of the EPSR.

## Panel I: Ensuring effective implementation

### **Ragnar Horn**, European Commission taskforce on the EPSR

In his presentation, Ragnar Horn first gave a short overview of the EPSR and its accompanying initiatives. He emphasized the need for a new start for Social Europe following the economic crisis, in a context of an ageing population and changing world of work. He stressed the new aspects introduced by the EPSR that aim at providing an answer to these changes. Then he discussed the consultation process that has been conducted in 2016 and briefly presented some reactions from the European Parliament.

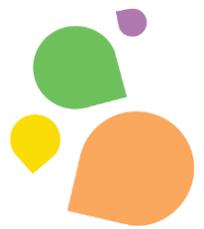
Concerning the proclamation of the EPSR by all institutions, he stressed that the backing from all MS was needed, but there was still some resistance from a small group of MS that needs to be convinced. The implementation will then be shared between the EU level, MS and the Social Partners. At EU level, following the proclamation, social partners will be consulted on 'access to social protection' and the 'Written Statement Directive', concerning information rights for workers. As regards legislation, the work-life balance proposal is the most advanced file of the package and will facilitate the use of paternity, parental and carer's leave. On Access to social protection, the aim is to better secure transitions between jobs and to reduce distortions and unfair competition. The consultation on the Written Statement Directive will take place to address problems with transparency of information, as workers are often badly informed about their rights. However, the Commission is facing resistance from the employers' side who don't see a need to negotiate this aspect at EU level.

Mr. Horn concluded that the proclamation will be very important and that, if all MS are on board, then implementation would be made significantly easier and the EPSR could cover all EU citizens.

### **Gabriele Bischoff**, President of the EESC Workers Group and EESC Rapporteur on the EPSR

Gabriele Bischoff stressed that the EU should be a project that tangibly improves the living and working conditions of citizens. She compared the EPSR project to a house made out of binding and non-binding elements. The door to enter this house is the joint proclamation that should take place at the end of this year. The walls still need to be built and the question is whether all MS will open the door. The citizens of MS deciding not to open the door, will probably not be protected by the walls of the house.

For Gabriele Bischoff, a key element therefore is the creation of an EU policy on minimum income. Citizens should not only be protected, but also supported in finding new opportunities. She stressed the important differences regarding spending on social policy between MS and argued that MS need to be able to pursue the necessary social investments.



She stressed the need to be careful about promises that won't be kept and highlighted the urgency to act. Something concrete needs to be achieved in the social field before the next EU elections in 2019, in order to keep citizens interested in the EU, encourage them to vote and to avoid further fragmentation.

**Maria Joao Rodriguez**, S&D MEP, Rapporteur of the EP Report on the EPSR

Ms Rodriguez has been involved in the different stages of the EPSR and stressed the importance of not only updating standards through the EPSR, but also providing real means for its implementation, including the creation of new legislation, and making the best use of the European Semester and available financial instruments. If implemented well, the EPSR would allow for a more balanced EU legislation and reduce inequalities between and inside MS, which is urgently needed in view of the future of the European project.

She stressed that the EPSR was bringing real added value compared to the existing Charter of Fundamental Rights and other legislation, for example on child poverty, on new working conditions and full access to social protection regardless of the type of work. The proclamation will be a political event at the highest level, but a small minority of MS is still expressing reservations, for example concerning the principle of subsidiarity and financial implications. If MS don't endorse the EPSR unanimously, it will only affect the Eurozone and some countries opting in voluntarily. Therefore, Ms Rodriguez called on everyone to join a coordinated political process with all actors to pressure the Council to apply the EPSR to all EU citizens.

In order to build the 'house', several steps are needed. Social partners should be encouraged to participate in the development of solutions. The European Semester should put a stronger emphasis on balancing economic and social imbalances. Furthermore, Rodrigues sees a need to better explain the importance of social investment. There is also a need to redirect financial instruments at EU level and to target the Multiannual Financial Framework (MFF) in order to put social cohesion at the centre of the EU budget. Furthermore, the Eurozone needs to be completed - there needs to be a fiscal capacity in order to create upward social convergence and protect MS from shocks.

She concluded that the EC Recommendation on the EPSR is less ambitious than expected, but that it should not be taken for granted in its current shape and form, as not only the MS, but also the EP continue to be divided over the issue.

**Marlene Stoel**, Dutch Permanent Representation

The Netherlands (NL) welcome the EPSR in general as guideline for social policy and are in favour of having all MS on board. They hope that MS will cooperate and that the Council will be able to adopt the text. However, Ms Stoel also stressed that social policy is a national competence. Nevertheless, everyone should benefit from social rights and social inclusion needs to be improved. The NL consider the EPSR to be a guideline for social policy and a possibility to exchange best practices. It is the MS's responsibility to implement measures that effectively provide the rights outlined to the citizens, taking into account each MS's social structure and existing measures and needs. Therefore, the implementation will also differ among MS. Implementing the Pillar is a shared responsibility between MS and the EU Institutions, as well as social partners and other stakeholders.



Regarding the third chapter, the NL consider social inclusion and poverty reduction to be two key aims. In its national social policy, the NL pursue an integrated approach, taking into account several social elements together. Furthermore, the structure of the social system is strongly decentralized, meaning that many elements are managed at local level. It is therefore crucial that the EPSR and its implementation are not only discussed at EU and national level, but also at the level of municipalities.

## Panel II – Ensuring Meaningful Stakeholder Involvement

### **Lena Kumlin**, Evangelical Lutheran Church of Finland

The Evangelical Lutheran Church of Finland welcomes the EPSR, as well as the reflection paper on the social dimension of Europe. Ms Kumlin stressed that it was crucial to enhance the social dimension of the EU and to make citizens' rights more visible and transparent. She found it surprising that it should apply primarily to the Eurozone and stressed that many questions concerning the implementation remain open. Ms Kumlin emphasized that special attention should be given to the most vulnerable and that the European Commission should put more attention at evaluating the social impact of economic policies at MS level. Churches could contribute to this work.

To conclude, she stressed that churches promote unity and a sense of community and can therefore function as bridge builders. The ELC of Finland doesn't actively take part in the concrete political debate, focusing more on discussions around the values which underpin it, but it also uses the opportunity to submit statements and positions on concrete legislative proposals and policies to the government.

### **Sara Scheiflinger**, Diakonie Austria

In her presentation, Sara Scheiflinger addressed the role of Diakonie Austria in the consultation and implementation process of the EPSR and also gave some insights into obstacles and opportunities for stakeholder involvement at national level.

Diakonie Austria participated in the consultation process through a joint statement with the BAG (Federal Association of Non-statutory Welfare Organisations) and exchanges with other civil society stakeholders. Diakonie Austria has been facing problems in engaging with the ministry and has not always received invitations to relevant meetings. Furthermore, Ms Scheiflinger regretted that the ministry didn't seem to have an agenda for the implementation of the EPSR, but rather acknowledges the initiative as a set of non-binding principles without the need to pursue follow-up action.

Stakeholder involvement focuses mainly on developing strategies to overcome the problem posed by the non-binding nature of the principles. Therefore, it is helpful to be involved in relevant parts of national strategies and to set up working groups with different stakeholders on each principle. Ms Scheiflinger stressed that the EPSR should be used to strengthen and renew the political debate on social policy, and stressed the role of stakeholders in pushing political actors to take action.



## **Klaus Heeger, CESI**

In general, CESI's assessment of the EPSR is a positive one. According to Mr Heeger, fostering awareness of the EU's initiatives is key. Therefore, the working time directive is the most visible part of the proposal, as it affects people directly and they can relate to it easily. On a policy level, the most relevant points of the EPSR are currently the joint proclamation and the social scoreboard. Concerning the joint proclamation, it is still unclear which impact this will actually have, and whether it is possible that the EPSR will follow a similar course as the Charter of Fundamental Rights. Regarding the social scoreboard, he considered that there are too many different indicators used at EU and international level, and that it would be better to agree on one single set of indicators.

According to CESI, a general framework directive on decent work would be needed, as well as an EU-wide definition of 'employer' and 'self-employment' as more diverse and 'false' types of self-employment are emerging. Mr Heeger also raised the question whether social insurance should be considered as an obligation or as a right. He argued that a next step should be to harmonise the scoreboard with existing indicators as a basis for all further work. Within the European Semester, the Annual Growth Survey (AGS) needs to include a clear commitment to the EPSR and to social investments, as the principles of Chapter III cannot be guaranteed without social investment. To conclude, he regretted that social partner dialogue too often resulted in a 'closed shop' in which not all partners are included, whereas the debate should be more open.

## **Q&A**

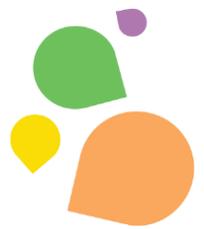
During the discussion, participants highlighted the need to work on MS level to fight for effective implementation of the EPSR and to stimulate a debate at national level between citizens. However, the questions how to initiate such a debate and how to involve the national press remained open. It was mentioned that involving the press was easier when it concerned a concrete legal proposal, such as the proposal on work-life balance, as persons could relate to it. Furthermore, it was suggested that civil society organisations should get more involved to create the images that help citizens to relate to the discussions on the EPSR.

A point was also raised concerning the role which social services can play in the implementation of the EPSR, and how they could be better involved in the political process. It was stressed that one of the most effective ways of getting involved was by creating alliances with other stakeholders with a similar perspective and field of expertise.

## Panel III – Ensuring Policy Coherence

### **Tom Bevers, Chair of EMCO (Employment Committee)**

Tom Bevers welcomed the EPSR and the Commission consultation, which have allowed to bring employment and social policy to the forefront. However, he regretted that there is still no greater clarity on the implementation, creating uncertainty for MS and civil society alike.



According to Mr Bevers, the EPSR should be closely linked to the European Semester and should not invent new layers of policy, but build on existing measures. For instance, it would have been more useful to build on the existing scoreboards by adding new relevant indicators, instead of creating a new scoreboard. Furthermore, a strong link with the European Semester would allow the Commission to encourage Member States to pursue policy reforms through an institutional framework they are already familiar with. It also needs to be clarified which role subsidiarity will play, instead of MS using it to avoid implementation. The EPSR should apply to all MS and be embedded in broad economic guidelines. Overall, an institutional and political equilibrium needs to be found, which is difficult to achieve as the opinions in MS diverge, with some calling for the reinforcement of existing funds, while this is a no-go for others. Furthermore, Mr Bevers insisted on the importance of a commitment to social investment, as well as a reform of the EMU and the creation of fiscal capacity.

**Alexis Rinckenbach**, Vice-Chair of the SPC (Social Protection Committee)

Alexis Rinckenbach stressed the importance of thinking about the EPSR in the long run, which means that more efforts, transparency and accountability will be needed. He agreed with Mr Bevers that already existing monitoring tools should have been used, rather than creating a new social scoreboard. Furthermore, he stressed the need to connect the EPSR to Europe 2020.

According to Mr Rinckenbach, the EPSR provides a picture of the state of play concerning social protection. He stated that there is a need to shift the angle and viewpoint on changing the situation. Mr Rinckenbach concluded that the 'dead angles' needed to be found to improve social safety nets.

**Barbara Caracciolo**, SDG Watch

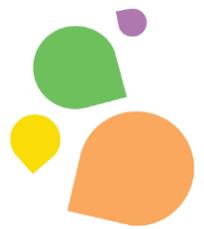
Barbara Caracciolo provided insights into the Sustainable Development Goals (SDGs) and the work of SDG Watch at EU level. She stressed that the 2030 Agenda provides an opportunity that can also be used to implement the EPSR. Many indicators of the EPSR are very close to goals set out in Europe 2020 and the Agenda 2030, and there is therefore a lot of complementarity between the three initiatives that should be used.

She concluded that an overarching strategy at EU level would be needed to make sure implementation takes place in all fields, and that the EPSR should be a core part of the implementation of the SDGs within the EU.

## Q&A

During the second discussion session, the specific principles relating to housing and persons with disabilities were addressed, as well as the need of including the most vulnerable persons, such as undocumented migrants. Concerning the rights of persons with disabilities, the need of mainstreaming their rights throughout the principles of the EPSR was stressed. Regarding undocumented migrants, the FEAD was mentioned as existing tool to support these persons.

A question was raised concerning the possibility of revising the social scoreboard, which does not seem to



be planned by the Commission so far. Finally, it was concluded that soft policy coordination measures such as the European Semester are having some effects, as some countries would not address certain issues if not asked by the Commission to do so. However, it remains difficult to measure the real impact.

## Concluding Remarks

### **Heather Roy**

To conclude the conference, Heather Roy highlighted five words that played a key role throughout the debate:

- *Coherence*: The implementation of the EPSR needs to be coherent. Its principles need to be mainstreamed throughout the policy fields and a horizontal approach needs to be adopted.
- *Contradiction*: The more civil society can recognize contradictions between macroeconomic and social policy initiatives, the better they can address them and the more effective the Pillar can become.
- *Convergence*: Convergence is needed, but this should not be equated with a one-size-fits-all approach.
- *Change*: It may take time, but the EPSR needs to create systemic and structural change. Otherwise, people will lose trust and trust in the European project will dwindle further.
- *Commitment*: Stakeholders need to push the EPSR forward together and explore cross-sectoral alliances.

### **Pavel Trantina**

Pavel Trantina closed the conference by stressing the need to ensure coherence with other policies. He announced that the EESC will have a particular look at this, including a post-2020 angle. Furthermore, he stressed that ownership is key: civil society needs to get ownership of the EU as a project and it needs to be decided whether we perceive the EU to be only an economical project or if it should go further.