**European Economic
and Social Committee**

Thematic priorities and working methods of
the Labour Market Observatory (LMO)
for the 2025-2028 term of office

I. Background

The Labour Market Observatory (LMO) was established in 2007 with the mandate to 'identify and analyse labour market trends and challenges, adding value to the work of the SOC section and the Committee'. The Observatory operates within the SOC section, to which it reports, and carries out the following activities:

- observing labour market challenges and trends;
- collecting examples of good practice;
- stimulating debate by organising hearings with institutional and socio-professional stakeholders, civil society organisations and academia;
- producing proactive reports or investigative studies on selected topics and
- analysing cross-cutting issues.

The LMO is composed of 18 members (see Appendix), including a president and two vice-presidents, with these roles rotating every two and a half years between the three groups. The current president is Giovanni Marcantonio (Italy, Civil Society Organisations' Group). The vice-presidents are Jean-Michel Pottier (France, Employers' Group) and Jakob Kristof Počivavšek (Slovenia, Workers' Group).

II. Main thematic priorities for the 2025-2028 term of office

The LMO priorities are developed taking into account the SOC section priorities for the current term of office, the work programme of EESC President Séamus Boland and the Commission's work programmes for 2026 and 2027.

The Observatory's analysis activities should support and facilitate understanding of the changes taking place in the labour market and the economic and social repercussions these may have. The work of the Observatory will be developed in close collaboration with SOC section.

The proposed priorities set out below can be considered guidelines, which will need to be adapted in line with developments on the European scene over the coming years, any new circumstances that may

arise, initiatives that may be adopted by European institutions, and the needs that emerge over the course of the Observatory's activities.

It should be noted that the topic of skills is cross-cutting, as it interacts with all other priority areas.

TOPICS PROPOSED FOR THE 2025-2028 TERM OF OFFICE

1. Active labour market policies

In a historical phase characterised by rapid and profound transformations, active labour market policies play a crucial role in governing change processes and facilitating employment transitions. On the one hand, technological innovation and the need for climate adaptations require a rapid realignment of the skills and professional profiles required by businesses; on the other hand, demographic developments raise questions about the sustainability of welfare systems and the labour market's capacity to absorb and enhance all segments of the working population.

In this scenario, a priority objective of the Observatory would be to examine **the evolution of active labour market policies**. These remain crucial for promoting **labour market inclusion**, improving entry into the labour market and boosting participation among underrepresented and vulnerable groups (such as women, young people, older people, people with disabilities, migrants, Roma and the LGBTIQ+ community) and reducing the mismatch between supply and demand. This mismatch, together with labour shortages and skills mismatches, are critical factors that hinder business growth and competitiveness, especially for SMEs, which run the risk of becoming increasingly penalised.

The LMO's analysis will focus on the ability of active labour market policies to **respond to current challenges**, and on the **comparison of national models and good practices**. Specific attention could be paid to the growing role of **digital platforms in the delivery of activation services**, and the opportunities offered by artificial intelligence (AI) to improve their efficiency, personalisation and ability to respond promptly to the needs of workers and businesses. The aim is to identify elements that can be used to progressively improve these systems, which continue to show significant regional differences.

Attention will also be given to the intergenerational dynamics of the labour market, examining how active labour market policies address persistent **stereotypes** that continue to shape educational choices and occupational pathways across generations.

Furthermore, the LMO could also take into account certain **socio-demographic challenges**, like loneliness and social isolation, which can also have adverse effects on people's well-being, employability and labour-market participation.

This analysis will also be developed through closer **collaboration with the European Agency for the Improvement of Living and Working Conditions (Eurofound)**, with a view to integrating comparative evidence and context analysis from European countries.

Through this work, the LMO could also contribute to the **EU institutions' work related to public employment services (PESs)**, given that the Commission has announced an updated PES Decision[1] and an evaluation of the current decision for the fourth quarter of 2026, on which the EESC would provide a mandatory opinion.

2. Quality jobs

Working on the topic of quality jobs, which are a cornerstone of the European social model and of the European Pillar of Social Rights, is particularly relevant for the LMO. The European Union's social dimension needs to go hand in hand with European competitiveness, and environmental sustainability, economic prosperity and social and territorial cohesion are key drivers.

One of the priorities defined by the European Commission in its work programme is the Quality Jobs Roadmap, which should support the employment, skills and poverty reduction objectives laid down in the European Pillar of Social Rights. In line with the Commission's priorities, the Quality Employment Roadmap developed with the social partners will support fair wages, good and safe working conditions, training and fair employment transitions for workers and the self-employed in part by increasing collective bargaining coverage.

The exchanges organised by the LMO could contribute to the next phase announced by the Commission, which would be the adoption of the Quality Jobs Act planned for 2026, in collaboration with the SOC section's work on quality jobs, by analysing indicators and good practices.

In its debates, the LMO could also consider the link between the cost-of-living crisis and the labour market. The Observatory could also look into examples from social economy entities, which play a significant role in creating quality jobs, fostering skills development and driving social innovation, particularly for people facing structural barriers to employment.

➢ **The impact of digitalisation and artificial intelligence on the labour market**

In the coming years, the growing spread of digital technologies and, in particular, AI applications, will continue to significantly transform production systems, the organisation of work and the skills required of workers. The Observatory intends to examine these transformations and analyse their effects – both positive and potentially critical. The objective is to contribute to the development of practices that promote the adoption of an AI based on the principles of ethical and social sustainability, and to contribute to technological changes that enhance inclusion, accessibility and fair working conditions rather than reinforce existing inequalities.

With this in mind, one or more of the following aspects could be explored in depth.

- **The spread of digital technologies and AI in businesses**. It proposes to examine the introduction of new technologies and AI solutions in different production sectors and in various types of businesses with a particular focus on SME, analysing both the effects on employment levels, job quality, wage dynamics and collective bargaining and organisational processes and productivity.

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[1] Decision No 573/2014/EU of the European Parliament and of the Council of 15 May 2014 on enhanced cooperation between Public Employment Services (PES), amended in 2020

- **Upskilling and development needs**. A second area of work could concern the evolution of digital and AI-related skills requirements. New professional requirements (both technical and transversal) and continuing training needs will be analysed, also in line with the collaboration initiated with the **European Centre for the Development of Vocational Training (Cedefop)**, to interpret trends in skills and professions.
- **AI and work organisation**. The spread of AI applications in organisational processes, human resource management and performance monitoring systems will be considered. The effects of these technologies on productivity, working conditions, including equal treatment, occupational health and safety could be examined, with attention to the implications of the use of algorithmic management. The issues of transparency, fairness and the prevention of forms of any discrimination could therefore be examined.
- **Regulation, standards and practices for the ethical use of AI**. The observatory can look into the regulation on the adoption of AI in the workplace, with a particular focus on the implementation of the AI Act and emerging national and regional regulations. At the same time, it could be possible to consider relevant guidelines, codes of ethics and good practices to promote the responsible use of AI.
- **Social dialogue and collective bargaining**. Finally, the role and capacity of social partners in steering technological innovation processes towards human-centred models could be explored in greater depth. The observatory could consider different approaches to the introduction of AI in the workplace, at national, regional and company level, and could also examine the applicable mechanisms for worker information, consultation and, where relevant, participation, and the tools adopted in work councils for the evaluation of AI systems.

➢ **Occupational health and safety**

Demographic changes, an ageing workforce and increasingly diverse forms of employment are profoundly altering the risk landscape in the workplace. At the same time, the spread of remote working, hybrid models and digital platforms is contributing to a multiplication of the spaces and times in which work is performed, making it more complex to protect health and safety. Digital technologies and artificial intelligence can add new opportunities, for example by reducing repetitive workloads, but can also introduce new risks: from the intensification of work rhythms to cognitive overload and the management of sensitive data.

The Observatory could consider an overview of the main transformations, focusing on some of the following areas of analysis:

- **The evolution of risks linked to demographic change**, with a particular focus on sectors most exposed to an ageing workforce and the implications for prevention, training and workplace adaptation.
- **The prevention of psychosocial risks**, including the impact of work organisation, workloads and working hours, as well as possible stress factors linked to digitalisation and constant availability, and the potential consequences of these on mental health.
- **The role of technology and artificial intelligence in safety management**, from risk monitoring using sensors and predictive systems, to the potential of immersive training and the assessment of possible risks introduced by the technologies themselves (physical, cognitive and organisational).

A further area of focus will be **the evolution of national occupational health and safety policies** and the **role of collective bargaining**, which increasingly addresses issues such as agile working, the right to

disconnect, workload management, time organisation and digital prevention tools. The Observatory could discuss how national regulation, and particularly sectoral and company agreements and/or practices, are contributing to redefining standards, prevention models and measures to support well-being, identifying innovative experiences and good practices that are useful for dissemination and comparison, and how they complement the existing regulatory framework at European level.

With this in mind, the Observatory intends to establish and consolidate partnerships with the **European Agency for Safety and Health at Work (EU-OSHA)** in order to integrate its analyses with evidence and methodologies established at European level and to contribute to the dissemination of effective OSH prevention and promotion practices in new working contexts.

Through this work, the LMO could also contribute to the EU institutions' work on the **revision of the Carcinogens Directive**, given that a Commission proposal is planned for the first quarter of 2028, which would entail a mandatory EESC consultation.

> **New organisational models, flexibility and transformations in the workplace**

In addition to the topics already mentioned, we also propose a reflection on new organisational models of work. The combination of organisational flexibility, the changing relationship between younger generations and work, and the advancement of digital technologies is in fact generating a profound redefinition of working models. On the one hand, for some, salaried work is becoming increasingly autonomous, thanks to forms of organisation based on objectives, greater accountability and flexible working hours; on the other hand, some forms of self-employment are going through a period of severe crisis, marked by fragmentation, income uncertainty and difficulty in accessing protection.

In this context, the Observatory could look into **the transformations of organisational models currently underway**, taking into consideration dependent and self-employed work, telework and hybrid work, and examine their **impact in terms of productivity, well-being, work-life balance and quality of work**.

3. Labour mobility

In the context of the Commission's upcoming fair mobility package and the Commission proposal to strengthen the European Labour Authority (ELA) expected for the third quarter of 2026, the LMO will examine labour mobility as a key dimension of a well-functioning and fair single market.

The Observatory could examine how to improve the framework governing the fair and effective mobility of workers across the EU. Particular attention would be paid to enforcement mechanisms, cross-border cooperation, the provision of information to workers and employers, and the prevention of abuse and exploitation.

The LMO would also work towards establishing **closer operational cooperation with the ELA** on issues related to fair and effective labour mobility and its enforcement.

Through this work, the LMO could contribute in a timely manner to the work of the EU institutions and promote mobility that is not only economically beneficial, but also socially sustainable and protective of workers' rights.

The Observatory could also consider the interplay between skills recognition, skills portability and lifelong learning in cross-border mobility, especially in the context of the fair mobility package and the Commission proposal for a skills portability initiative (expected for the third quarter of 2026).

4. Cross-cutting topic: skills

The LMO will continue working on **the topic of skills development**, which will also be integrated into the work on the three above-mentioned priority areas.

Systematic upskilling and reskilling are strategic requirements for equipping the workforce for the green, digital and demographic transitions. They will ensure labour-market resilience, support productivity and competitiveness, and prevent skills mismatches, which risk undermining inclusive and sustainable growth. Skills forecasting plays an important role in preventing skills mismatches.

The Observatory will notably highlight good practices, including from the third sector and the social economy.

The LMO will also take into account the challenges of 'brain drain' and 'brain waste', with particular attention to highly skilled individuals in the EU whose potential remains underused.

The LMO will consider different approaches to training funds managed by social partners, which are an effective way to provide training in a way that respects the different national/sectoral practices.

In view of its work, the LMO would take into account the proposals announced by the European Commission, including:
- the vocational education and training (VET) strategy, expected for the second quarter of 2026 (June 2026, tbc);
- the skills portability initiative, which would include a proposal for legislation to facilitate worker mobility through digitalisation and improved transparency of skills and qualifications; and
- the evaluation of individual learning accounts (ILAs) expected for 2027.

The LMO would continue its long-standing cooperation with **Cedefop**, notably by jointly organising the sixth edition of the **Policy Learning Forum on Upskilling Pathways** in 2026. Policy learning forums (PLF) on upskilling pathways are a series of policy learning events on the topic, which aim to provide a platform for countries, the EU institutions, Cedefop and EESC members to come together to learn from one another and explore common challenges in upskilling adults.

III. Working methods in the 2025-2027 LMO term of office

The president of the Observatory, its vice-presidents, the members and the secretariat play different but fundamental roles in co-designing and co-creating its activities.

The following activities are planned for the Observatory for the period 2025-2028.

1. Types of activities

a) Internal meetings and public events

The Observatory has the right to hold up to **three meetings per year without specific authorisation from the EESC Bureau, while any additional meetings require the authorisation** of the EESC Bureau and the Committee on Financial and Budgetary Affairs (the CAF). Meetings may take the form of public events.

The **topics of the events** will be chosen in due course, taking into account, among other things, European Commission initiatives, the activities of the EU institutions, the priorities of the EU presidencies and proposals from civil society organisations and EESC members, particularly if an event is organised in their country.

The events should provide an opportunity for various stakeholders to meet and exchange views on key European policies related to the labour market and to skills, and to understand the EESC's positions on the topics discussed. These events will highlight the EESC's key role as the representative of European organised civil society.

These events will be organised, as far as possible, in cooperation with the European institutions and agencies, international organisations, social partners, civil society organisations, the EESC sections, the CCMI, the observatories, the EESC Liaison Group with European civil society organisations and networks, and other relevant EESC bodies.

Two of the LMO meetings during the term of office are expected to be held in EU Member States and, if possible, organised in close cooperation with national organisations or institutions (such as national economic and social councils, social partners and civil society organisations or public institutions) and in cooperation with EESC members from the host country.

b) Fact-finding missions / working visits

In order to encourage the exchange of information, experiences and good practices with social partners, civil society organisations, Member State national authorities / economic and social councils and EU agencies, the LMO may organise fact-finding missions if needed, subject to authorisation by the Bureau and the CAF.

2. Cooperation and synergies

Cooperation with EESC structures and external organisations is essential for the LMO in order to take a comprehensive approach and consider the impacts of all policies on the labour market and the situation of all groups of people, leaving no one behind. Such cooperation enables the Observatory to integrate the perspectives of other bodies and organisations, promote interdisciplinary dialogue, strengthen the effectiveness and impact of the LMO and promote the work of the EESC more widely.

The Labour Market Observatory will seek synergies with other EESC working structures and avoid overlapping with their work. In particular, the LMO will seek to cooperate with the SOC section's standing groups: the Permanent Group on Immigration and Integration, the Permanent Group on Disability Rights and the Permanent Group on the Inclusion of the Roma. It will also cooperate with the EESC Youth Group and the EESC Permanent Group on Equality. The LMO will also seek close cooperation in particular with the Single Market Enforcement Observatory and the Sustainable Development Observatory, with meetings organised between the respective presidents of the three observatories to better coordinate their work, and the Labour Market Observatory inviting members of the other observatories to EESC meetings and events, where relevant.

The L M O will also work closely with the EESC's Communication Directorate to ensure efficient communication on LMO activities and contribute to the follow-up given to EESC opinions.

The LMO will also continue its fruitful cooperation with European institutions and specialised EU agencies such as Cedefop, Eurofound, the European Agency for Safety and Health at Work (EU-OSHA), the European Institute for Gender Equality (EIGE), the European Labour Authority (ELA) and the European Training Foundation (ETF). The Observatory will also seek to organise at least two working visits to EU agencies during this term of office.

The Labour Market Observatory will strive to strengthen cooperation with international organisations such as the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD), and to revive contacts with the European Regional Labour Market Monitoring Network (EN RLMM).

Appendix : LMO Presidency and Members 2025 - 2028

LMO PRESIDENCY		
GR I	**GR II**	**GR III**
Jean-Michel POTTIER - Vice-President	Jakob Krištof POČIVAVŠEK - Vice-President	Giovanni MARCANTONIO - President

FULL LIST OF LMO MEMBERS			
MS	**GR I**	**GR II**	**GR III**
AT	Christa SCHWENG		
BE		Pia STALPAERT	
BG		Plamen DIMITROV	
CY	Michalis ANTONIOU		
CZ		Radka SOKOLOVÁ	Silvie PÝCHOVÁ
DK			Juliane Marie NEIIENDAM
ES			María Lourdes MÁRQUEZ DE LA CALLEJA
FR	Jean-Michel POTTIER		
IT	Renato MATTIONI		Giovanni MARCANTONIO (IT)
LV	Rihards BLESE		Katrīna LEITĀNE
MT	Jackie ATTARD MONTALTO		
PL		Grzegorz SIKORA	
RO			Ionuţ SIBIAN
SE		Mikael JOHANSSON	
SI		Jakob Krištof POČIVAVŠEK	

7 members of ECO ♦ 7 members of TEN ♦ 6 members of REX ♦ 5 members of INT ♦ 3 members of NAT ♦
1 member of CCMI
♦ 5 members of the European Semester Group ♦ 4 members of the Youth Group ♦ 3 members of the Equality Group
♦ 3 members of the Roma Group ♦ 2 members of CAF ♦ 1 member of FRRL ♦
3 LMO members are not SOC members