RESOLUTION AND REPORT

on

The Action Plan to implement the European Pillar of Social Rights

Rapporteurs:

Ms Ellen Nygren (European Economic and Social Committee, Workers – Sweden)

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RESOLUTION

on

The Action Plan to implement the European Pillar of Social Rights

The Consultative Committee of the European Economic Area (EEA CC):

- Having regard to the EEA Agreement, and in particular Article 96 thereof,

- Welcomes the development initiated by the implementation of the European Pillar of Social Rights, in the sense that social issues have been brought to the very centre of policy development in EEA countries;

- Highlights that the EEA countries have experienced severe challenges both in health and other social fields as well as a general economic crisis caused by the COVID-19 pandemic since the proclamation of the European Pillar of Social Rights;

- Notes that the pandemic has further highlighted existing inequalities (particularly regarding workers with lower educational levels, women, young people, migrants and vulnerable groups) and that unemployment and inequalities are likely to further increase as a result, if the social progress is not coupled with sustainable economic growth¹;

- Recognizes the European Pillar of Social Rights Action Plan² published by the Commission on 4 March 2021 as an important and positive roadmap for continued work in the areas covered, especially in the recovery from the COVID-19 crisis;

- Welcomes the Action Plan which can help to achieve the much-needed upward convergence regarding the social issues in the countries covered by the EEA Agreement;

¹ Communication from the Commission on the European Pillar of Social Rights Action Plan, EESC Opinion, point 1.13, 7 July 2021
² European Pillar of Social Rights Action Plan, European Commission, 4 March 2021
Acknowledging that EEA EFTA countries are good examples of a societal development, where social investments have facilitated economic prosperity and improved living standards as well as general economic progress;

- Acting in accordance with its Rules of Procedure, and in particular Article 2(2) thereof,

While:

A. Acting in accordance with its mandate to enhance the awareness of the economic and social aspects of the growing interdependence of the economies of the EEA States and of their interests, as laid out by Article 96(1) of the EEA Agreement;

B. Recognising that the implementation of the European Pillar of Social Rights (EPSR) will require multi-level action, cross-sectoral approaches, and full involvement of stakeholders,

C. Noting the European Commission Recommendation on “An Effective Active Support to Employment following the COVID-19 crisis (EASE)”\(^3\), from 4 March, published in tandem with the Action Plan,

D. Noting the European Commission Communication on "A Strong Social Europe for Just Transitions”\(^4\),

E. Noting the European Parliament Resolution of 17 December 2020 on "A Strong Social Europe for Just Transitions”\(^5\),

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\(^3\) Commission Recommendation for Effective Active Support to Employment (EASE), European Commission, 4 March 2021

\(^4\) A strong social Europe for just transitions, European Commission Communication, COM(2020) 14 final, 14 January 2021

\(^5\) A strong social Europe for just transitions, European Parliament Resolution, 14 January 2021
F. Noting the different proposals and initiatives presented by the European Commission on 26 April 2017 related to the European Pillar of Social Rights,

G. Noting that the Pillar of Social Rights which was proclaimed by Member States on 17 November 2017 is built on 20 principles with the aim of delivering new and more effective rights for European citizens,

H. Noting the Porto declaration by the European Council from 8 May, approved during the Porto Social Summit, that stressed the importance of closely following the implementation of the European Social Pillar, including at the highest level,

I. Having regard to the Opinion of the European Economic and Social Committee (EESC) on the “European Pillar of Social Rights”, adopted on 17 January 2017,

J. Having regard to earlier Resolutions of the EEA CC, in particular those on the “Social Dimension of the EEA and the European Pillar of Social Rights”, “Gender Equality in the Labour Market” and on “Work-Life Balance in the EEA”.

Has adopted the following Resolution, by which it:

1. Welcomes the Action Plan published by the Commission in March 2021 as a roadmap for continued and joint work in all EEA countries for the implementation of the EPSR, that in many respects deals with policy areas that to a large extent are national.

2. Underlines the crucial role of social dialogue, including at European level where EFTA social partners participate fully, and stresses that social partners must be closely

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6 Delivering on the European Pillar of Social Rights, European Commission
7 European Pillar of Social Rights, EU Member States - European Commission, 17 January 2017
8 The Porto Declaration, European Council, 8 May 2021
9 Communication from the Commission on the European Pillar of Social Rights of Social Rights, EESC Opinion, 17 January 2017
10 Social Dimension of the EEA and the European Pillar of Social Rights, EEA CC, 7 June 2017
11 Gender Equality in the Labour Market, EEA CC, 9 May 2014
12 Work-Life Balance in the EEA, EEA CC, 3 May 2018
involved in the design, implementation and monitoring of policies and reforms at EU, national, regional, and local level;

3. Highlights the importance of recognising the autonomy of social partners and their right to collective action and to be involved in designing and implementing employment and social policies, by means of collective agreements and further underlines the significance of respecting national competences, reminding the Commission of the positive experience of respecting collective bargaining systems, especially in the Nordic countries;

4. Emphasises that against the backdrop of an ageing and declining population, digitalisation of societies and economies, it is urgent to invest in people, and other means, to support productivity growth, and welcomes the opportunities in the European Pillar of Social Rights on how to best support fair and well-functioning labour markets and welfare systems;

5. Underlines that although the Commission’s Action Plan only formulates three headline EU targets (employment, skills, and social protection/reducing poverty), the rest of the principles of the Social Pillar must also be implemented, through specific objectives and targets set by Member States in a voluntary but ambitious basis;

6. Invites the Commission and EEA Member States to propose mechanisms for adequate involvement of all the relevant stakeholders at all relevant levels in the implementation of the Pillar;

7. Reminds decision makers that the strive for social progress and upward convergence is a founding element of the idea of European cooperation in the EEA and therefore must be mainstreamed in all kinds of policy decisions;

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13 Communication from the Commission on the European Pillar of Social Rights Action Plan, EESC Opinion, point 1.7., 7 July 2021
8. Urges Member States to take further steps to reinforce the fourth and first principles of the European Pillar of Social Rights in order to foster cross-sectoral and multilevel cooperation for implementing a holistic and integrated approach to supporting young people facing multiple barriers to educational, social and labour market inclusion;

9. Welcomes that investment in education and research are highlighted as cornerstones for making Europe competitive and sustainable. Further welcomes the fact that the Skills Agenda and the proposed recommendation on Vocational Education and Training (VET) were developed under the umbrella of the European Pillar of Social Rights and that the motto of the Skills Agenda is the first principle of the EPSR;

10. Encourages the European, national, and sectoral social partners to exploit all of the potentialities to engage in negotiations to address the new topics and rapid changes in the labour market;

11. Calls on European and national institutions to take action to ensure that workers' information, consultation, and participation rights are respected in restructuring and recovery processes.
1. Introduction

1.1. At the Social Summit for Fair Jobs and Growth in Gothenburg on 17 November 2017, the European Parliament, the Council, and the Commission jointly signed and proclaimed the European Pillar of Social Rights (EPSR). The EPSR sets out 20 key principles and rights to support fair and well-functioning labour markets and welfare systems in the 21st century.

1.2. The Commission Communication led to a broad discussion with institutions, social stakeholders, and citizens. Implementation of the Social Pillar will be based on a number of legislative and non-legislative initiatives, both at EU and national level. The policy areas covered by the EPSR are to a large extent the responsibility of Member States. Coordination and common benchmarks can therefore be of utmost importance.

1.3. Although primarily conceived for the euro area, the EPSR is open to all EU Member States that wish to participate in it. It is also relevant to the EEA EFTA States Norway, Iceland and Liechtenstein that are part of the European Single Market through the Agreement on the European Economic Area (EEA Agreement).

1.4. Numerous of the EPSR’s initiatives, including the proposal for a Directive on work-life balance for parents and carers, are directly relevant to the EEA Agreement or addressed to the European social partners through the European Social Dialogue, in which EFTA social partners also take part.

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14 European Pillar of Social Rights, European Commission.
16 The EEA Agreement has been in force since January 1994.
1.5. By proclaiming the EPSR at the Gothenburg Summit in November 2017, the European Parliament, Council and Commission reaffirmed their commitment to work towards a fairer and more equal Europe. The Pillar should serve as a compass for renewed upward convergence towards improved working and living conditions and to guide reforms in labour markets and social policies.


1.7. The Social Pillar is the guiding instrument for EU social policy and should be at the centre of the recovery strategy to ensure that the digital and green transitions, in the context of which the recovery will unfold, are just and fair. The Plan may benefit further from specific agreed commitments and initiatives concerning the transitions’ effects on employment and skills, so further detailing should be done in the Plan and in national documents.

1.8. The EPSR serves as a compass for a fair and sustainable recovery and for upward social convergence towards quality employment and concrete social outcomes when responding to current and future challenges aiming at fulfilling people’s essential needs, and towards ensuring better enactment and implementation of social rights.

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1.9. The COVID-19 crisis creates a window of opportunity to change the political mind-set and reconstruct the European social model.

1.10. The Commission published its communication on the Action Plan for the implementation of the European Pillar of Social Rights the 4 April 2021. The Action Plan suggests three main targets to set the common ambition for 2030: grouped around: (i) employment, (ii) skills, and (iii) social protection/poverty reduction.

1.11. The EU presents three ambitious headline targets for 2030 in the Pillar. The first relating to employment, i.e., that at least 78% of the population aged 20 to 64 should be employed by 2030. The second relating to skills sets out that 60% of all adults should participate in training every year. Finally, that the number of people at risk of poverty or social exclusion should be reduced by at least 15 million by 2030. The last target regards the social protection category.

1.12. At the Porto Social Summit held on 7 May 2021 EU leaders, European institutions, social partners, and civil society, reinforced their commitment to implement the European Pillar of Social Rights. There, the aforementioned actors signed the Porto Social Commitment and committed to the 2030 social targets. This gave a new impetus to the implementation of the Pillar and provided political momentum also from leaders of Member States.

1.13. If it is time to translate the principles of the EPSR into action, then Europe needs a new social contract for the future. On the one hand, it is necessary to implement the 20 principles and transform them into tangible results. On the other hand, social dialogue and the involvement of the social partners and civil society must be reinforced. The EPSR can be a success only if all stakeholders are involved in the process.

1.14. Social partners have a vital role to play in the implementation of the EPSR. First, they should raise awareness among their constituencies and the broader public about the

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18 Porto Social Summit, European Council, 7 May 2021
19 ESPR: a new social contract for the future, EESC, 26 January 2021
potential importance of the Pillar. Second, they should make their own contribution to the design of a roadmap for the implementation of the Pillar. Third, civil society organisations and the social partners should actively participate in the debate on the revision of the Social Scoreboard. Finally, the national Economic and Social Committees (or their functional equivalents) can play a key role in collecting assessments of the implementation of the Pillar from national social partners and civil society organisations, with a view to monitoring implementation of the Pillar at both the EU and national levels and providing proposals for initiatives to be undertaken in the future.

2. **New challenges stemming from the COVID-19 pandemic**

2.1. The COVID-19 pandemic has accelerated the digital transition with telework becoming the norm for close to 50% of workers in the EU highlighting the need to address challenges such as work-life balance. Another important issue to be addressed is the health and safety of workers. Technological innovations are likely to replace heavy and dangerous work, thus improving the quality of work, but new pathologies may emerge, especially for isolated (tele)workers. In addition, not all workers can telework, and their occupational health and safety must be revised and adjusted in order to protect workers as much as possible from risks related to COVID-19.

2.2. Social dialogue at European, national and industry levels is a useful tool for examining whether, and to what extent, employees’ health and their private lives require additional protection in a time of ever-present digital mobile communication and which measures, are appropriate in this regard. One example is the so-called "right to disconnect", recently recognised in France, and applied in some sector- and enterprise-level agreements in certain EU countries, but not yet evaluated at EU level. Reference is also made to the European Social Partners Framework Agreement on Digitalisation.

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20 Implementing the ESPR: what is needed to guarantee a positive social impact, [EESC Study](https://www.eesc.europa.eu/en/library/13250) at the request of the Workers’ Group, 30 March 2018
from June 2020 that describes a partnership between employers and workers’ representatives on the topic\textsuperscript{21}.

2.3. The pandemic has shown that digitalisation in education is not equally available in society, which could lead to further inequalities in schooling performances and educational opportunities and widen digital gaps between citizens and regions. Therefore, it is necessary to introduce measures, that support disadvantaged groups and thus help to prevent segregation. Also, the importance of access to education and training for adults during their working life is, as highlighted in the Commission’s Action Plan, of utmost importance for a positive and inclusive development in times of digitalisation.

2.4. The economic downturn caused by the pandemic has substantial implications for gender equality and gender mainstreaming, both during the downturn and the subsequent recovery. The pandemic itself has exacerbated gender imbalances.

2.5. A special focus needs to be on children and youth: this is the generation that will pay the huge public debt that countries are now creating to deal with the consequences of the pandemic. We cannot fail to consider the challenges related to their active involvement in society as well as in the labour market.

2.6. Quality jobs and working conditions need to be put at the core of the future European strategy and action. A continuous upgrading of know-how through a system of education, training, a right to life-long learning, must be implemented by ensuring access to opportunities and individual learning accounts. This will equip people to cope with the changes needed in the context of digital and green transitions, ensuring that no one is left behind.

\textsuperscript{21} Framework Agreement on Digitalisation, \textit{European Social Partners}, June 2020
2.7. Effective implementation of the EPSR will only be possible if there are sufficient financial resources to invest in social policies, thus translating rights and principles into specific policy initiatives\(^\text{22}\).

2.8. Unemployment poses a major challenge for most European countries. The effects of the COVID-19 crisis demand more efforts for active labour market policies than under normal circumstances. More needs to be done at both EU and national levels.

2.9. European companies have also suffered considerably during the crisis. Companies can also help to pave the way towards a solid recovery after the crisis.

3. **Implementing the European Pillar of Social Rights (ESPR)**

3.1. As the Commission suggests in its Action Plan under the headline “**More and better jobs**”, preserving and creating new jobs is a priority. Measures must be taken both at European and national level, supporting a job-rich recovery. The EEA CC also supports the approach of making working conditions fit for the future. This includes a renewed take on occupational health and safety, in the light of risks stemming from the pandemic.

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

3.2. **Updated skill agenda**\(^\text{23}\): The Skills Agenda and the proposed recommendation on Vocational Education and Training (VET) were developed under the umbrella of the European Pillar of Social Rights to contribute towards its first principle on the right to quality and inclusive education, training and lifelong learning (LLL). Indeed, all Europeans should have the right to access quality and inclusive training and LLL within a just transition and in relation to demographic changes. Educational poverty, which has deepened as a result of unequal access to education and training during the

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\(^{22}\) Opinion of the European Economic and Social Committee on Proposal for Council decision for employment policies of the Member States, [Official Journal of the European Union](https://www.juridim.eu), 20 August 2019

\(^{23}\) Updated skills agenda, [EESC](https://www.eesc.europa.eu), 27 October 2020
COVID-19 crisis, needs to be addressed. Also, LLL must be an individual right for everyone in order to cope with digital and AI developments, shape progress and keep humans in command\textsuperscript{24}.

3.3. \textit{The EESC in its opinion on the European Education Area (EEA) welcomed the fact that the EEA initiative proposed more inclusiveness in future education systems and underlined that learning about the EU, democratic values, tolerance and citizenship should be considered a right for all, within a holistic education concept, with a special focus on disadvantaged groups of people and as part of the implementation of the EPSR. It is essential that Member States are encouraged to implement the Council Recommendation on promoting common values. Both VET and adult learning should also focus on strengthening common European values and EU identity. }

3.4. \textit{Gender equality}\textsuperscript{25}: In the EPSR, there is a strong emphasis on gender equality. Three of the EPSR principles are directly aimed at gender equality in the labour market: “2. Gender equality”, “3. Equal opportunities”, and “9. Work-life balance”. Principle 9 on work-life balance states that “parents and people with caring responsibilities have the right to suitable leave, flexible working arrangements and access to care services”. The first legislative measure to implement the EPSR was a proposal for a Directive on work-life balance for parents and carers, which was accompanied by a Communication presenting a set of non-legislative measures to support Member States to achieve the common goals in the area of work-life balance.

3.5. \textit{Equality} between women and men is a fundamental value and objective of the European Union, enshrined in the European treaties and the Charter of Fundamental Rights and most recently reaffirmed in the European Pillar of Social Rights. In addition to its legislative and policy framework for achieving gender equality, the EU supports the implementation of the Beijing Platform for Action and the Convention on the Elimination of All Forms of Discrimination Against Women, as well as the Programme

\textsuperscript{24} Communication from the Commission on the European Pillar of Social Rights Action Plan, \textit{EESC Opinion}, point 2.1.7., 7 July 2021

\textsuperscript{25} Gender equality issues, \textit{EESC} own initiative, 15 May 2019
of Action of the International Conference on Population and Development and the outcomes of their review conferences.

3.6. The EEA EFTA countries have led by example in the policy field of gender equality and the EEA CC welcomes the European Commission to follow closely policy innovations in the EEA EFTA states with regard to policies tackling gender discrimination. In an EEA CC resolution from May 2018, the Committee welcomed the introduction of paid paternity leave to promote gender equality and underlined that gender equality was an important factor for economic growth, prosperity and competitiveness.

3.7. Appropriate measures, such as the provision of accessible high-quality and affordable childcare and long-term care services, as well as measures promoting the take-up of leave for men, are crucial for allowing parents and carers to enter, remain in, or return to the labour market. The EESC has called on the European Commission to launch a package on care services to boost the implementation of the European Pillar of Social Rights and complement the Work-life Balance Directive, containing a mix of policy, funding and target recommendations; and to revise the Barcelona targets on childcare.

3.8. Reinforcing the Youth Guarantee\textsuperscript{26}: Jobs created in different industries may disappear because of the current crisis. According to the fourth Principle of the European Pillar of Social Rights, "Young people have the right to continued education, apprenticeship, traineeship or a job offer of good standing within 4 months of becoming unemployed or leaving education." The first principle of the EPSR also needs to apply in providing support for young people on reskilling and upskilling and combatting early school leaving steps, to ensure their "right to quality and inclusive education, training and lifelong learning." Member States should guarantee these rights by fostering cross-sectoral and multilevel cooperation to implement an integrated approach to supporting young people facing multiple barriers to social inclusion, beyond employment\textsuperscript{27}.

\textsuperscript{26} Reinforcing the Youth Guarantee, \textbf{EESC}, 27 October 2020

\textsuperscript{27} Updated position on the Implementation of the Youth Guarantee", \textbf{European Youth Forum}, 21 January 2018
3.9. In fact, apprenticeships are not only for young people, as the very first paragraph of the European Framework for Quality and Effective Apprenticeships (EFQEF) underlines this double focus of apprenticeships for young people and adults. The fact that apprenticeships were put into the Youth Employment Support policy document contributes to a mistaken understanding of apprenticeships as being confined to young people. It is positive that the Commission has proposed that Member States step up learning offers and school-to-work transitions via good quality apprenticeship or traineeship provisions. This can also provide effective support to reduce early school leaving and can ensure better integration of migrants and refugees into the labour market, while respecting the European Pillar of Social Rights, the EFQEF and the Quality Framework for Traineeships.

**Fair working conditions**

3.10. Social *dialogue*\(^{28}\): European social dialogue is an inalienable component of the European social model and is enshrined in the Treaty, supported by EU legislation and recognised in the European Pillar of Social Rights. The European social partners should be encouraged to make use of all of the potentialities the Treaty offers them to engage in negotiations to address the new topics and rapid changes in the labour market.

3.11. The Action Plan to implement the EPSR will explore ways of strengthening social dialogue and collective bargaining. The involvement of the social partners in the Semester process should be considered key to achieving effective results, while data show that, in some countries, such involvement is fragmented or lacking, despite direct country-specific recommendations from the European Commission.

3.12. The European Pillar of Social Rights recognises the autonomy of social partners and their right to collective action and to be involved in designing and implementing employment and social policies, including by means of collective agreements. The EPSR

\(^{28}\) Social dialogue as an important pillar of economic sustainability and resilience of economies, EESC, 29 October 2020
reaffirms the crucial role of social dialogue and social partners, and collective bargaining at all levels.

3.13. An Action Plan to implement the EPSR will explore ways to promote social dialogue and collective bargaining and increase the capacity of unions and employers’ organisations at EU and national level.

3.14. The European Pillar of Social Rights under Principle 8 defines that workers and their representatives have a right to be informed and consulted in good time concerning matters relevant to them. From this perspective, workers’ involvement is strategic to manage the transitions to deal with ecological, demographic, and technological challenges and accompany changes in work organisation or restructuring.

**Social protection and inclusion**

3.15. Combating poverty\(^{29}\): In the Commission’s Action plan for implementing the EPSR, it is stated that 15 million people should be lifted out of risk of poverty or social exclusion by 2030. Despite growth and stability, poverty still remains an issue, leaving some 92 million people at risk. According to the UN, one in five people in the EU are at risk of poverty and social exclusion, and moreover, this is increasingly a gender-imbalanced phenomenon, mostly affecting women and single-parent households. This situation clearly represents a failure of the developed European societies.

3.16. Three structural constraints in combating poverty can be identified: 1) Fiscal dumping across EU countries. During the last 20 years, a gradual shift in the tax burden has been witnessed, from corporations, companies and the wealthiest individuals to workers, consumers and low-income families; 2) Social conditions and costs of labour. There are still countries within the EU that believe that external cost competitiveness can be improved by reducing the wages and social contributions paid by employers; 3) The macro-economic framework that has developed within the Economic and Monetary Union, particularly the Stability and Growth Pact (SGP), which should be revised.

\(^{29}\) The ambitious goal of reducing poverty by 50% can be achieved by 2030”, EESC, 28 January 2021.
urgently. Social investment in health and education should also be exempted from fiscal disciplines imposed on Member States.

3.17. The EEA countries must remain faithful to the principle that there can be no employment relations, regardless of their nature, which do not have social protection. All forms of undeclared work are unacceptable and should be fought against.\(^{30}\)

3.18. Finally, the EEA CC considers that EEA countries should set the objective of reducing the proportion of children at risk of poverty and social exclusion from an EU level of 22.8% in 2019 to 10% in 2030, with similar voluntary commitments in every Member State. Where necessary, similar commitments will be made by EFTA countries, for example in specific areas like children of immigrants or minorities.

\(^{30}\) Communication from the Commission on the European Pillar of Social Rights Action Plan, EESC, point 2.2.9., 7 July 2021.