## **European Parliament**



2019-2024

#### **TEXTS ADOPTED**

### P9\_TA(2019)0033

#### Employment and social policies of the euro area

# European Parliament resolution of 10 October 2019 on employment and social policies of the euro area (2019/2111(INI))

#### The European Parliament,

- having regard to Articles 3 and 5 of the Treaty on European Union (TEU),
- having regard to Articles 9, 145, 148, 149, 151, 152, 153, 154, 155, 156, 158, 165, 166, 174 and 349 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to the Interinstitutional Agreement of 13 April 2016 between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making<sup>1</sup>,
- having regard to the Charter of Fundamental Rights of the European Union, in particular Title IV (Solidarity) thereof,
- having regard to the UN Convention on the Rights of Persons with Disabilities,
- having regard to the UN Sustainable Development Goals (SDGs), in particular goals 1, 3, 4, 5, 8, 10 and 13,
- having regard to the Commission Social Investment Package of 2013,
- having regard to the Five Presidents' Report of 22 June 2015<sup>2</sup> entitled 'Completing Europe's Economic and Monetary Union',
- having regard to the Council recommendation of 14 May 2018 on the economic policy of the euro area<sup>3</sup>,
- having regard to the Commission communication of 12 June 2019 entitled 'Deepening Europe's Economic and Monetary Union: Taking stock four years after the Five Presidents' Report – European Commission's contribution to the Euro Summit on 21

<sup>&</sup>lt;sup>1</sup> OJ L 123, 12.5.2016, p. 1.

<sup>&</sup>lt;sup>2</sup> <u>https://ec.europa.eu/commission/sites/beta-political/files/5-presidents-report\_en.pdf</u>

<sup>&</sup>lt;sup>3</sup> OJ C 179, 25.5.2018, p. 1.

June 2019' (COM(2019)0279),

- having regard to the Commission communication of 5 June 2019 on the 2019 European Semester: country-specific recommendations (COM(2019)0500),
- having regard to the Commission proposal of 27 February 2019 for a Council decision on guidelines for the employment policies of the Member States (COM(2019)0151), and to Parliament's position thereon of 4 April 2019<sup>1</sup>,
- having regard to the Commission communication of 21 November 2018 entitled 'Annual Growth Survey 2019: For a stronger Europe in the face of global uncertainty' (COM(2018)0770),
- having regard to the Joint Employment Report from the Commission and the Council adopted on 15 March 2019,
- having regard to the Commission recommendation of 21 November 2018 for a Council recommendation on the economic policy of the euro area (COM(2018)0759),
- having regard to the Commission report of 21 November 2018 entitled 'Alert Mechanism Report 2019' (COM(2018)0758),
- having regard to the Commission recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market<sup>2</sup>,
- having regard to the Commission communication of 21 November 2018 entitled '2019 Draft Budgetary Plans: Overall Assessment' (COM(2018)0807),
- having regard to the Commission proposal of 22 November 2017 for a Council decision on guidelines for the employment policies of the Member States (COM(2017)0677), and to Parliament's position thereon of 19 April 2018<sup>3</sup>,
- having regard to the Commission communication of 26 April 2017 entitled 'Establishing a European Pillar of Social Rights' (COM(2017)0250),
- having regard to the Commission communication of 26 April 2017 entitled 'An initiative to support work-life balance for working parents and carers' (COM(2017)0252),
- having regard to the Commission proposal for a Council recommendation of 13 March 2018 on access to social protection for workers and the self-employed (COM(2018)0132),
- having regard to the Commission communication of 5 April 2011 entitled 'An EU Framework for Roma integration strategies up to 2020' (COM(2011)0173) and to the subsequent implementation and evaluation reports,
- having regard to Directive (EU) 2019/1158 of the European Parliament and of the

<sup>&</sup>lt;sup>1</sup> Texts adopted, P8 TA(2019)0337.

<sup>&</sup>lt;sup>2</sup> OJ L 307, 18.11.2008, p. 11.

<sup>&</sup>lt;sup>3</sup> Texts adopted, P8\_TA(2018)0181.

Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU<sup>1</sup>,

- having regard to the Commission staff working document of 26 April 2017 entitled 'Taking stock of the 2013 Recommendation on "Investing in children: breaking the cycle of disadvantage" (SWD(2017)0258),
- having regard to the Commission's Strategic Engagement for Gender Equality 2016-2019, and to the European Pact for Gender Equality 2011-2020 and the Council conclusions thereon of 7 March 2011<sup>2</sup>,
- having regard to the 2002 Barcelona childcare targets, namely to provide childcare, by 2010, to at least 90 % of children between three years old and the mandatory school age and to at least 33 % of children under three years of age,
- having regard to the Commission communication of 4 October 2016 entitled 'The Youth Guarantee and Youth Employment Initiative three years on' (COM(2016)0646),
- having regard to the Commission proposal of 14 September 2016 for a Council regulation amending Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 (COM(2016)0604),
- having regard to the Commission communication of 14 September 2016 entitled 'Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan' (COM(2016)0581),
- having regard to the Commission communication of 10 June 2016 entitled 'A new skills agenda for Europe – Working together to strengthen human capital, employability and competitiveness' (COM(2016)0381),
- having regard to the Commission communication of 2 June 2016 entitled 'A European agenda for the collaborative economy' (COM(2016)0356),
- having regard to the Circular Economy Package (Directives (EU) 2018/849<sup>3</sup>, (EU) 2018/850<sup>4</sup>, (EU) 2018/851<sup>5</sup> and (EU) 2018/852<sup>6</sup>),
- having regard to the Commission communication of 1 June 2016 entitled 'Europe investing again – Taking stock of the Investment Plan for Europe and next steps' (COM(2016)0359),
- having regard to the Commission communication of 8 March 2016 on launching a consultation on a European Pillar of Social Rights (COM(2016)0127) and the annexes thereto,

<sup>&</sup>lt;sup>1</sup> OJ L 188, 12.7.2019, p. 79.

<sup>&</sup>lt;sup>2</sup> OJ C 155, 25.5.2011, p. 10.

<sup>&</sup>lt;sup>3</sup> OJ L 150, 14.6.2018, p. 93.

<sup>&</sup>lt;sup>4</sup> OJ L 150, 14.6.2018, p. 100.

<sup>&</sup>lt;sup>5</sup> OJ L 150, 14.6.2018, p. 109.

<sup>&</sup>lt;sup>6</sup> OJ L 150, 14.6.2018, p. 141.

- having regard to the Commission white paper of 16 February 2012 entitled 'An Agenda for Adequate, Safe and Sustainable Pensions' (COM(2012)0055),
- having regard to the Council conclusions of 7 December 2015 on the promotion of the social economy as a key driver of economic and social development in Europe,
- having regard to its resolution of 13 March 2019 on the European Semester for economic policy coordination: employment and social aspects in the Annual Growth Survey 2019<sup>1</sup>,
- having regard to its resolution of 11 December 2018 on education in the digital era: challenges, opportunities and lessons for EU policy design<sup>2</sup>,
- having regard to its resolution of 25 October 2018 on the employment and social policies of the euro area<sup>3</sup>,
- having regard to its resolution of 11 September 2018 on pathways for the reintegration of workers recovering from injury and illness into quality employment<sup>4</sup>,
- having regard to its resolution of 16 November 2017 on combating inequalities as a lever to boost job creation and growth<sup>5</sup>,
- having regard to its resolution of 24 October 2017 on minimum income policies as a tool for fighting poverty<sup>6</sup>,
- having regard to its resolution of 14 September 2017 on a new skills agenda for Europe<sup>7</sup>,
- having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights<sup>8</sup>,
- having regard to its resolution of 26 May 2016 on poverty: a gender perspective<sup>9</sup>,
- having regard to its position of 2 February 2016 on the proposal for a decision of the European Parliament and of the Council on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work<sup>10</sup>,
- having regard to its resolution of 25 November 2015 on the EU Strategic Framework on Health and Safety at Work 2014-2020<sup>11</sup>,
- having regard to the initiative by the OECD and the European Commission on the 'State

- <sup>6</sup> OJ C 346, 27.9.2018, p. 156.
- <sup>7</sup> OJ C 337, 20.9.2018, p. 135.
- <sup>8</sup> OJ C 242, 10.7.2018, p. 24.
- <sup>9</sup> OJ C 76, 28.2.2018, p. 93.
- <sup>10</sup> OJ C 35, 31.1.2018, p. 157.
- <sup>11</sup> OJ C 366, 27.10.2017, p. 117.

<sup>&</sup>lt;sup>1</sup> Texts adopted, P8\_TA(2019)0202.

<sup>&</sup>lt;sup>2</sup> Texts adopted, P8\_TA(2018)0485.

<sup>&</sup>lt;sup>3</sup> Texts adopted, P8\_TA(2018)0432.

<sup>&</sup>lt;sup>4</sup> Texts adopted, P8\_TA(2018)0325.

<sup>&</sup>lt;sup>5</sup> OJ C 356, 4.10.2018, p. 89.

of Health in the EU'1 and to the related report 'Health at a glance: Europe 2018'2,

- having regard to the Commission's 2018 Pension Adequacy Report: Current and future income adequacy in old age in the EU, published on 26 April 2018,
- having regard to the Commission's 2018 Ageing Report: Economic and Budgetary Projections for the EU Member States (2016-2070), published on 28 May 2018,
- having regard to the revised European Social Charter and the Turin Process, launched in 2014 with the aim of strengthening the treaty system of the European Social Charter within the Council of Europe and in its relationship with the law of the European Union<sup>3</sup>,
- having regard to its resolution of 8 March 2011 on reducing health inequalities in the  $EU^4$ ,
- having regard to the concluding observations of the UN Committee on the Rights of Persons with Disabilities of September 2015 on the initial report of the European Union to the Committee of June 2014,
- having regard to Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (the Equal Treatment Directive)<sup>5</sup>, and to Article 141 of the Treaty establishing the European Community (1992), regarding the principle of equal pay for equal work or work of equal value,
- having regard to the Commission's Strategic Engagement for Gender Equality 2016-2019 and its goal of reducing the gender pension gap as a key priority, and to the Commission's 2018 Pension Adequacy Report,
- having regard to the EU Youth Strategy for 2019-2027, based on the Council resolution of 26 November 2018, and to the Europe 2020 target of reducing early leaving from education and training to less than 10 %,
- having regard to the European Court of Auditors' Special Report No 5/2017 of April 2017 entitled 'Youth unemployment have EU policies made a difference? An assessment of the Youth Guarantee and the Youth Employment Initiative',
- having regard to the OECD Employment Outlook reports for 2018 and 2019,
- having regard to the European Accessibility Act,
- having regard to the Council recommendation of 9 April 2019 on economic policy in the euro area (2019/C 136/01),

- <sup>2</sup> <u>https://ec.europa.eu/health/sites/health/files/state/docs/2018\_healthatglance\_rep\_en.pdf</u>
- <sup>3</sup> <u>https://www.coe.int/en/web/turin-european-social-charter/turin-process</u>
- <sup>4</sup> OJ C 199E, 7.7.2012, p. 25.

<sup>&</sup>lt;sup>1</sup> https://ec.europa.eu/health/state/glance\_en

<sup>&</sup>lt;sup>5</sup> OJ L 204, 26.7.2006, p. 23.

- having regard to the Commission's 2019 annual review of employment and social developments in Europe,
- having regard to the Commission report of 2019 on in-work poverty,
- having regard to the Council recommendation of 2018 on access to social protection for workers and the self-employed,
- having regard to Directive 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union<sup>1</sup>,
- having regard to Rule 54 of its Rules of Procedure,
- having regard to the report of the Committee on Employment and Social Affairs (A9-0016/2019),
- A. whereas labour market conditions in the EU continue to improve, mainly thanks to a lengthy period characterised by a positive international economic environment; whereas the employment rate has continued to increase and reached 73,5 % in the last quarter of 2018, with 240,7 million people in work, a new record level; whereas the employment rate in the euro area has increased from 66,5 % in 2017 to 67,4 % in 2018; whereas great disparities in employment rates persist between Member States, regions and population groups; whereas the pace of growth of the employment rate has slowed down and whereas this trend is expected to continue; whereas if these dynamics continue the employment rate will reach 74,3 % in 2020;
- B. whereas long-term challenges, such as population ageing, digitalisation and its impacts on work, climate change and unsustainable use of natural resources remain pressing;
- C. whereas the employment rate has grown strongly among workers aged above 55; whereas in 2018 the employment rate of workers aged between 55 and 64 in the euro area was, at 58,8 %, still well below the average; whereas in particular, women in this age category have a lower employment rate (52,9 %); whereas demographic forecasts point to a growing number of older workers; whereas demographic change impacts on pensions, healthcare and long-term care systems;
- D. whereas effective policies are needed to encompass the various forms of employment and adequately protect workers from abuse, discrimination and poverty;
- E. whereas the in-work poor represent a significant share of people at work; whereas in 2017, 9,4 % of employed people were at risk of poverty while nearly 20,5 million workers lived in households at risk of poverty; whereas for certain categories of the population, notably people working part-time, the self-employed, temporary workers, younger people, less educated persons and single households, the in-work poverty risk is substantially higher and has in some cases been increasing significantly in recent years;
- F. whereas the employment gender gap was 11.6 percentage points in 2018 and has remained almost unchanged since 2013; whereas across the EU women earn on average

<sup>&</sup>lt;sup>1</sup> OJ L 186, 11.7.2019, p. 105.

16 % less than men, although this varies significantly across Member States; whereas the gender pensions gap is around 37,2 % for pensioners aged between 65 and 79 in the EU-28; whereas unequal sharing of caring responsibilities between women and men is still prevalent across the EU;

- G. whereas the primary responsibility for tackling youth unemployment rests with the Member States in terms of developing and implementing labour market regulatory frameworks, education and training systems and active labour market policies;
- H. whereas the total number of hours worked has been increasing steadily but slowly since 2013; whereas the rate of permanent and full-time employment continues to rise while the rate of part-time employment was in 2018 in decline; whereas the share of people working part-time in the EU rose from 15 % in 2002 to 19 % in 2017; whereas part-time employment was much more common among women (31 %) than men (8 %) in the EU in 2017; whereas the number of involuntary part-time workers is still very high and concerns 1,3 million more people than in 2008; whereas the share of temporary employees in the EU increased from 11 % in 2002 to 13 % in 2017;
- I. whereas some Member States are faced with structural challenges in the labour market, such as low participation and skills and qualification mismatches; whereas there is a growing need for concrete measures for the integration or reintegration of the inactive workforce to meet labour market demands;
- J. whereas the unemployment rate in June 2019 fell to 6,3 % in the EU and 7,5% in the euro area; whereas it fell for all age groups and for both men and women; whereas large differences in rates remain between Member States and the dispersion of unemployment rates across national and subnational territories has continued to widen since 2007; whereas youth unemployment remains unacceptably high, at 14,2 % in April 2019 (the average for 2018 being 15,2 % in the EU and 16,9 % in the euro area), but is lower than the pre-crisis level in 2008; whereas the differences between Member States are very significant; whereas on average every second unemployed jobseeker has been without work for more than 12 months, and at 3,8% the long-term unemployment rate remains above the pre-crisis level of 2,9 %; whereas unemployment remains particularly high for persons with disabilities;
- K. whereas according to Eurostat, in 2017 there were 8,973 million underemployed parttime workers in the EU-28; whereas, in addition to this, 8,127 million persons were available to work but did not look for a job, and another 2,289 million persons were seeking work without being able to start working within a short time period; whereas in total this means that in 2017 in the EU-28, 19,389 million persons had some resemblance to being unemployed without being counted in the unemployment rate, which is almost the same number of persons as those considered unemployed (18,776 million);
- L. whereas horizontal and vertical labour market segmentation as well as in-work poverty persist and affect, in particular, women, low-skilled people, young people, older people, people with disabilities, national, linguistic, ethnic and sexual minorities, and people with a migrant background; whereas in 2016 the employment rate for people with disabilities was, at 48,1 %, well below the average employment rate;
- M. whereas long-term unemployment disproportionately affects young people, single

parents, informal carers, people with long-term sickness, disability or health problems, migrants, and people from ethnic and religious minorities, who continue to face specific barriers to accessing employment and discrimination at all stages of employment;

- N. whereas quality employment is an important factor in the fight against poverty and social exclusion; whereas there is a need to reach all members of society who are furthest from the labour market and at risk of poverty and social exclusion;
- O. whereas the job vacancy rate continues to rise and the mismatch between labour demand and supply is still an important reason for unemployment in many Member States; whereas structural skills mismatches and skills shortages affect numerous sectors, among others, tourism, traditional craftsmanship and the ICT sector, where the gap between demand and supply for specialists in the EU is expected to grow to about 500 000 by 2020; whereas, despite worries over increasing skills shortages and gaps, about 39 % of employees in the EU are trapped in low-quality jobs for which they are overqualified;
- P. whereas, according to estimates by the European Centre for the Development of Vocational Training (Cedefop), the distribution of skills in the labour force largely matched the qualification requirements of the labour market in 2017 and labour supply exceeded demand for all qualification types, with the difference being particularly high for low- and medium-level qualifications; whereas the demand for a skilled labour force is likely to continue to grow, and the most recent forecasts by Cedefop indicate that between 2017 and 2025 more than 13 million jobs requiring high educational attainment will be created, while the number of low-qualified jobs will decline by almost 6 million;
- Q. whereas the Cedefop forecasts show a parallel rise in skills from both the demand and the supply side until 2025; whereas, however, skills supply is expected to grow slightly faster than skills demand, with, for instance, the share of the labour force having only primary or lower secondary education being expected to decrease from 20,2 % in 2017 to 16,8 % in 2025; whereas the share of jobs for people with low-level qualifications is projected to fall from 18,4 % to 15,4 %, but this parallel development does not prevent potential skills mismatches such as overqualification;
- R. whereas the labour market is highly fragmented and each segment has its own peculiarities;
- S. whereas more than one European in five is at risk of poverty and social exclusion; whereas some progress has been made towards the poverty target of the Europe 2020 strategy with a 5,6 million reduction since 2008, but the target of reducing poverty by at least 20 million by 2020 is still far off, with 113 million people still at risk; whereas higher levels of poverty are experienced by vulnerable groups such as children, single parents, people with disabilities and those with chronic physical and mental health conditions, migrants, Roma and ethnic minorities, the long-term unemployed and the homeless; whereas there is a rapid growth in in-work poverty (9,6 %) and a widening poverty and inequality gap across the EU; whereas social transfers have a significant impact on poverty reduction in many Member States (on average by 32,4 % in 2017, without pensions being taken into account); whereas this impact has declined every year since 2010 (except for 2013) and differences between Member States are significant;
- T. whereas universal access to quality and affordable housing and healthcare is a basic

societal need;

- U. whereas gaps in coverage of social protection systems and access to services persist; whereas new forms of work have emerged, including platform and self-employed work; whereas social protection is traditionally geared to covering workers in full-time openended contracts and therefore needs to be adapted; whereas especially, atypical workers often do not have full access to social protection and many self-employed have no or only limited coverage; whereas bogus self-employment persists, causing uncertainty, precariousness and insecurity, and is affecting vulnerable groups in particular; whereas the lack of access to social protection hampers the wellbeing of the workforce and the functioning of labour markets;
- V. whereas the EU Youth Guarantee must be further improved in line with the recommendations by the European Court of Auditors, in order to provide help to all young people not in employment, education or training (NEETs);
- W. whereas there are disparities in life expectancy related to socio-economic status; whereas these gaps largely reflect differences in exposure to risk factors (including at work), with low-income households being more likely to report unmet health needs than high-income households; whereas it is therefore important to further promote and take into account health factors in employment and social policies;
- X. whereas intermediate levels of collective bargaining seem to produce a more compressed wage structure; whereas the erosion of collective bargaining in several Member States has coincided with an increase in low pay (i.e. workers paid less than two-thirds of the median wage);
- Y. whereas good mental health is a critical part of individual wellbeing; whereas more than one in six people across the EU Member States had a mental health problem in 2016; whereas people reporting chronic depression are much less likely to be in work in all Member States;
- Z. Whereas the total costs of mental ill-health across the EU is estimated to be over EUR 600 billion, or more than 4 % of GDP;
- AA. whereas in 2017 the per capita gross disposable household income exceeded the 2008 pre-crisis level in the euro area, although this was not the case in eight Member States or in numerous regions; whereas aggregate household incomes grew slower than GDP, indicating that income gains from the recovery have reached households only to some extent and suggesting that recent growth is not inclusive; whereas average wages in real terms still lag behind pre-crisis levels in many Member States and their growth remained below productivity growth in 2017; whereas income inequality is often linked to unequal access to education, training and social protection;
- AB. whereas according to the 2018 Eurobarometer, socio-economic situation and environmental issues are the most important personal concerns of EU citizens;
- AC. whereas global developments such as digitalisation and the environmental transition underline the urgent need for a common EU approach; whereas these global challenges affect regions and territories in different ways; whereas the role of social dialogue, social partners and civil society is crucial for an inclusive transition; whereas the

involvement of social partners in policymaking is still low in many Member States;

- AD. whereas the economic sectors which are responsible for close to 90 % of total  $CO_2$  emissions employ about 25 % of the workforce in the EU; whereas the reskilling of this workforce is an important part of the transition towards a sustainable economy;
- AE. whereas ambitious climate policies generate jobs and growth, and have positive effects on wellbeing; whereas according to projections, the full implementation of the Paris agreement will create an additional 1,2 million jobs in the EU by 2030, on top of the 12 million new jobs already expected;
- AF. whereas only 9 % of the 2011-2018 Country Specific Recommendations were fully implemented, while 17 % made substantial progress, 44 % made some progress, 25 % only saw limited progress and 5 % registered no progress at all;
- AG. whereas in 2019 the Commission issued recommendations for improving the effectiveness, accessibility and sustainability of healthcare to 15 Member States;
- AH. whereas average housing costs and financial overburdening have declined in the EU, but scarcity of adequate and affordable housing is still a growing problem in many Member States; whereas in 2017 one in ten Europeans spent 40 % or more of household income on housing costs;
- AI. whereas a well-functioning social dialogue is a key element of the European social market economy which strengthens social cohesion and reduces conflicts in society, to the common benefit of workers, employers and governments; whereas social dialogue and collective bargaining are key to designing and implementing policies which can improve working conditions and terms of employment;
- AJ. whereas civil society organisations make an essential contribution in providing services for inclusion as well as representing a range of views in policymaking;
- 1. Notes that while the economic conditions in the EU are currently favourable and overall employment is steadily growing, it remains vital to tackle youth unemployment and the issues faced by NEETs swiftly, and there is still an urgent need for improvement in terms of long-term unemployment, labour market segmentation and inequalities, inclusion of vulnerable groups, in-work poverty and productivity, especially in the context of a potential global economy slowdown or recession; strongly regrets that real wage growth at Union level remains below what could be expected given the positive labour market and economic performance; calls on the Commission to present a European unemployment benefit reinsurance scheme to protect citizens and reduce the pressure on public finances during external shocks;
- 2. Takes note of the Commission's 2019 country-specific recommendations (CSRs) and welcomes the stronger focus on investment; notes that almost one third of the CSRs issued until 2018 have not been implemented; notes that progress as regards the implementation of the CSRs concerning legislation governing labour relations and employment protection has been considerable; regrets however that implementation of the CSRs on health and long-term care has been particularly slow and progress on the 2018 CSRs is worse than performance in previous years, and urges the Commission to put the necessary pressure on Member States, regardless of their membership of the

euro area, to implement the recommendations; believes that the implementation of future-oriented reforms is crucial to strengthening the growth potential of the EU economy, fostering social inclusion and improving social rights and the well-being of all residents in the Union;

- 3. Calls on Member States to follow recommendations to shift taxation away from labour to other factors that are less detrimental to sustainable growth;
- 4. Notes that considerable divergences in employment persist between countries, regions and population groups, which creates countries, regions and population groups whose main or even only competitive advantage on the EU labour market is low income and/or indecent labour conditions; stresses that the Member States and the Commission should ensure the implementation of specific employment policies to address the constraints and difficulties experienced by regions at a demographic disadvantage, such as depopulated or sparsely populated regions, with a special focus on the agricultural sector, with the aim of fostering their capacity to create employment and added value in rural areas; considers it necessary to increase employment rates and income and promote decent job creation in order to achieve the Europe 2020 goal of an employment rate of at least 75 %;
- 5. Deplores the fact that in many Member States the per capita gross disposable household income is still below the 2008 pre-crisis level; urges the Member States to do more to reduce inequalities;
- 6. Underlines the need for well-designed labour market policies and reforms that create quality employment by adopting measures to ensure adequate minimum wages and fair remuneration, protect and promote the health and wellbeing of employees, prioritise the reintegration of the unemployed, promote equal opportunities and the equal treatment and rights of workers, including in the public sector, facilitate equal access to the labour market, social protection for all and labour mobility, take rural and isolated regions into account, and tackle inequalities and gender imbalances;
- 7. Notes with great concern the high level of youth unemployment in a number of Member States and the vulnerability of young newly employed workers; calls on the Member States and the Commission to make the fight against youth unemployment a priority and to make full use of financial instruments such as the Youth Guarantee, EU programmes such as Erasmus+ and tailored measures for tackling youth unemployment and fostering youth employability; strongly regrets that many Europeans are working part-time involuntarily; notes that this has detrimental consequences for their social protection;
- 8. Notes that participation of women in the labour market continues to grow, but is concerned that the gender gap in employment remains almost unchanged since 2013 and that gender inequalities in terms of employment and pay persist at a high level; notes with concern that women are overrepresented in lower-paid sectors and work more frequently in jobs that they are over-qualified for; notes that few Member States have taken action to tackle the gender pay gap; urges all Member States to strengthen their efforts to reduce the gender pay gap, the gender pension gap and disincentives to work; calls on the Commission to propose a directive on pay transparency in order to quickly close the gender pay gap;
- 9. Strongly regrets that the Barcelona target of 90 % childcare availability for children

from age three until mandatory school age will not be met; urges all Member States to strengthen their efforts to improve work-life balance and provide access to affordable childcare, early childcare and long-term care facilities; calls on Member States to improve training and working conditions in these services (including health services); calls on the Member States to fully and quickly implement the recently adopted directive on work-life balance for parents and carers and to encourage more men to take up paid family leave;

- 10. Takes note of the CSRs dedicated to the creation of an open, competitive and dynamic single market, which is key to stimulating productivity, facilitating growth and providing employment opportunities; underlines the importance of the fair distribution of increases in prosperity in this context; calls on the Commission and the Member States to stimulate productivity through reforms which remove unnecessary regulation; highlights the fact that investments in occupational health and safety do not only improve job quality and the wellbeing of workers, but also have a positive effect on the productivity and competitiveness of the European economy;
- 11. Points out the need to fight ageism in labour markets, for example by bridging the gap between young and older generations, raising awareness of the Employment Equality Directive<sup>1</sup>, including in the public sector, securing access to lifelong learning opportunities through customised courses and training, combating the pension gap, and fostering mobility and skills exchange programmes among senior EU residents; notes that older and less-skilled workers are much less likely to participate in lifelong learning programmes; calls on the Commission and the Member States to step up efforts to change this trend; is of the opinion that more attention needs to be paid to older workers and to policies that will increase support for and enable a lifelong active society, in particular by targeting workers over 50 years of age;
- 12. Stresses the need to fight discrimination against ethnic groups in the labour market and to combat the ethnic pay and pension gap; calls on the Commission to draw up a long-term planning strategy for the integration of ethnic minorities into the labour market, in order to mitigate the risk of exclusion; calls on the Commission and the Member States to strengthen efforts against discrimination based on ethnicity, membership of a minority or minority language by raising awareness, implementing diversity strategies, and collecting and analysing reliable, disaggregated data on discrimination;
- 13. Calls on the Commission and the Member States to step up efforts to ensure the greater labour market inclusion of the groups furthest from the labour market, such as single parents, informal carers, people with long-term illnesses, disabilities, health problems or complex chronic diseases, migrants and refugees, and people from ethnic and religious minorities, and their increased integration into society;
- 14. Welcomes the progress made under the European Disability Strategy 2010-2020 and in particular Directive (EU) 2019/882 on accessibility<sup>2</sup>; emphasises that more needs to be done, however; strongly regrets that people with disabilities remain consistently

<sup>&</sup>lt;sup>1</sup> Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation (OJ L 303, 2.12.2000, p. 16).

 <sup>&</sup>lt;sup>2</sup> Directive (EU) 2019/882 of the European Parliament and of the Council of 17 April 2019 on the accessibility requirements for products and services (OJ L 151, 7.6.2019, p. 70).

disadvantaged in terms of employment, education and social inclusion; calls on the Commission and the Member States to continue developing specific measures within employment, education and social policies to ensure the effective inclusion of people with disabilities, long-term illnesses and chronic diseases, including those with mental health disorders and psychosocial disabilities; calls on the Commission and the Member States to go beyond supporting measures and create more employment incentives, better accessibility and reasonable accommodation<sup>1</sup>, including by taking full advantage of the economic and social inclusion opportunities offered by digitalisation;

- 15. Notes the rise in new forms of employment, including the transformation brought about by digitalisation and automation; emphasises that such trends simultaneously provide benefits and challenges; stresses the importance of lifelong learning policies to enable workers to prepare for labour market transitions; underlines the importance of social dialogue, in particular when developing further strategies to address these challenges; notes that this transformation may lead to cases of atypical and precarious employment; notes with concern the inadequacy of and lack of access to social protection systems for atypical workers and the self-employed, including paid leave and paid holiday; emphasises that bogus self-employment is a persisting problem that needs to be addressed; calls on Member States to implement measures to address these issues, notably following the Council recommendation on access to social protection for workers and the self-employed agreed on 6 December 2018; welcomes this recommendation as a first step, but stresses that more needs to be done to ensure access to social protection for all;
- 16. Notes that online platform work in the EU has increased by more than 25 % over the past two years to up to 5 million workers, and that a third of all platform transactions are performed cross-border; points out that platform workers are often not covered by social protection systems; stresses the need for the Commission and the Member States to collect better and more harmonised data on the number of platform workers, and their employment status, job content and income; calls for a coordinated EU initiative to ensure that platform workers have access to social protection and are guaranteed all

1 The UN Convention on the Rights of Persons with Disabilities (CRPD) states: 'Reasonable accommodation' means 'necessary and appropriate modification and adjustments not imposing a disproportionate or undue burden, where needed in a particular case, to ensure to persons with disabilities the enjoyment or exercise on an equal basis with others of all human rights and fundamental freedoms' (https://www.ohchr.org/EN/HRBodies/CRPD/Pages/ConventionRightsPersonsWithDis abilities.aspx); Article 5 of the Employment Equality Directive states: 'In order to guarantee compliance with the principle of equal treatment in relation to persons with disabilities, reasonable accommodation shall be provided. This means that employers shall take appropriate measures, where needed in a particular case, to enable a person with a disability to have access to, participate in, or advance in employment, or to undergo training, unless such measures would impose a disproportionate burden on the employer. This burden shall not be disproportionate when it is sufficiently remedied by measures existing within the framework of the disability policy of the Member State concerned' (https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:32000L0078&from=EN); The Commission's website states: 'Reasonable accommodation is any change to a job or a work environment that is needed to enable a person with a disability to apply, to perform and to advance in job functions, or undertake training' (https://ec.europa.eu/social/main.jsp?catId=147).

their social and labour rights, regardless of their employment status, and to extend collective agreement coverage to platform workers;

- 17. Emphasises that new communication technologies and flexibility in work organisation can often lead to longer working hours and an overlap between work, private life and personal time; points out, in particular, the need to establish a right to digitally disconnect and to explore the notions of time poverty and autonomy over working time;
- 18. Stresses that a transformation of the education and training systems is necessary in order to make full use of the opportunities offered by digitalisation and the greening of the economy and to develop the skills, including 'soft' skills, and competences required to meet the demands of the labour market and to address the economic, social and ecological challenges of today and tomorrow; considers that skills shortages and mismatches can be major investment obstacles; emphasises that in order to acquire adequate skills it is necessary to improve the quality, availability, inclusiveness, affordability and accessibility of education and training, including vocational training, and improve the mutual recognition of qualifications; stresses that it is important to incentivise businesses to increase their investment in training; highlights that investment in education is crucial for social cohesion; stresses the importance of addressing the issue of early school leavers; calls on the Members States to follow a twin strategy of making mainstream education inclusive and providing targeted programmes for the most vulnerable; calls on the Member States to step up and encourage investments in upskilling and reskilling and in comprehensive training in digital, vocational and entrepreneurial skills, taking into account the shift towards the digital economy and to a greener economy and the demand for qualified technical professionals in many countries and regions; underlines that decent working and employment conditions are a crucial factor to attract skilled workers;
- 19. Agrees with the Commission that timely efforts are needed to address digitalisation, that the EU as a whole must speed up the process, and that Union, Member State and regional policies should be better aligned, public and private resources should be pooled to increase investment and stronger synergies should be developed in the digital economy and society; stresses the need to ensure the effective and equitable digital transformation of services and that no one is left behind; emphasises that digital literacy programmes should address issues of privacy and data protection;
- 20. Believes that the challenges of climate change and the transition to a greener economy demand decisive support for society, workers and businesses in order to help them cope with these crucial transformations, with a particular emphasis on the regions most affected, by improving training and education with a view to adapting skills and creating new jobs in the environment and digital sectors; calls for a particular focus on the most vulnerable groups in society, including people at risk of poverty and/or extreme material deprivation;
- 21. Highlights that increasing skills use and development is linked to the creation of added value and competitiveness and should be at the core of EU polices aimed at promoting economic growth through investment in skills; points out that, though a necessary condition for growth, skills alone are not sufficient; calls, therefore, for complementary measures, following investment in initial education and training, to create and design quality jobs in the labour market that make the most of workers' skills;

- 22. Expresses concern about the consistently high number of people in Europe who lack basic numeracy and literacy skills, as these are a fundamental requirement for active participation in society and the labour market; calls on the Member States to take robust measures to enhance basic skills training provisions, particularly for the most marginalised groups in society; underlines the importance of robust arrangements for the validation of non-formal and informal learning in order to guarantee that skills and competences are recognised as widely as possible and to promote flexibility between different education and training paths;
- 23. Calls on the Commission and the Member States to provide incentives and maintain technical assistance with a view to increasing opportunities to promote decent work for young people through employment programmes, support for young entrepreneurs via EntreComp, high-quality apprenticeship programmes, and language and vocational training, including through school curricula in the Member States, in close cooperation with the entrepreneur and research community and other relevant stakeholders;
- 24. Calls on the Member States to strengthen and modernise public employment services at each territorial level through continuous training of operators, the inclusion of highly specialised counsellors and tutors, and the implementation of targeted policies for each category of the labour market;
- 25. Emphasises that the Union's social and economic goals should have equal priority and secured financial resources within the next budget, and that the European Semester should be enhanced to include a social dimension all throughout its cycle involving the competent bodies of the EU and Member States which deal with social policies; urges the Commission to enhance the CSRs for eurozone members by creating a matrix framework where social policies related to the European Pillar of Social Rights, such as inclusive access to education, health, nutrition, employment and housing, and the preservation of social rights, are analysed by social segment, for example children, young people, older people, minorities, migrants and people with disabilities, thereby creating a much more accurate image of the economic and social health of the Member States, and to examine the possible extension of this new component of the CSRs to non-Eurozone members; points out that CSRs should be coherent with economic, social and environmental EU objectives and should reinforce rather than contradict each other; calls on the Commission and the Member States to define a European sustainability strategy to overcome social, economic and climate challenges; calls on the Commission and the Member States to reinforce social rights by proposing legislation, including financial instruments where appropriate and following review, to implement the European Pillar of Social Rights within the limits of their respective competences as laid down in the Treaties;
- 26. Considers it fundamental to define and finalise the social dimension of the European Union; believes it to be essential, to this end, to guarantee the right to decent living conditions, appropriate housing, an efficient and accessible healthcare system, and long-term care;
- 27. Highlights that well-functioning social dialogue is a key tool in shaping working conditions, involving a variety of actors at various levels, and that it balances the interests of workers and employers and contributes to both economic competitiveness and social cohesion; calls on Member States to further strengthen social dialogue across Europe in order to balance industrial relations and, where necessary, to strengthen

opportunities for collective bargaining;

- 28. Deplores the fact that poverty remains unacceptably high; underlines that there is a higher risk of poverty in times of economic slowdown: stresses that while the number of people at risk of poverty or social exclusion (AROPE) in the EU continued to decrease in 2017, some 113 million people in the EU and 74 million in the euro area were AROPE in 2017; regrets that the Europe 2020 goal of poverty reduction will most probably not be met; urges the Commission and the Member States to take the necessary steps to reduce poverty, including in-work poverty and poverty experienced by vulnerable groups; underlines the need to eradicate child poverty and calls on the Commission to propose legislation for the implementation of a European Child Guarantee; urges the Commission and the Member States to promote a rights-based anti-poverty strategy based on integrated active inclusion, combining the implementation of fundamental social rights, high-quality services and jobs with fair living wages; calls on Member States to develop actions and strategies in line with the European Pillar of Social Rights to address the social needs of those for whom the labour market is inaccessible;
- 29. Emphasises that decent jobs, access to adequate social protection regardless of employment relationship or contract type, wage growth and well-resourced, high-quality public services, including education systems and accessible lifelong learning offers, have a significant impact on reducing inequalities and the risk of poverty and social exclusion and on the improvement of health and wellbeing; welcomes the significant impact of social transfers on poverty reduction; regrets, however, that this is not reflected in the national policies of all Member States; stresses the importance of the transparent evaluation of the Europe 2020 strategy, particularly in the field of poverty reduction, and the development of a social and sustainable strategy post-2020 which prioritises the eradication of poverty and supports the implementation of the European Pillar of Social Rights and the Sustainable Development Goals through meaningful dialogue processes with civil society and people with direct experience of poverty at EU and national level;
- 30. Notes that in 2017 9,4 % of all employed people in the EU were at risk of poverty and that in-work poverty is increasing in many Member States; emphasises that in-work poverty is a fundamental sign of social unfairness and believes that it is essential to increase workers' purchasing power, strengthen collective bargaining and define a strong and harmonised system of rights and protections for all forms of work; urges Member States to take decisive action to ensure that people can afford a decent life for themselves and their families on their wages; calls on the Commission to put forward a legal instrument to ensure that every worker in the Union has a fair minimum wage, which can be set according to national traditions, or through collective agreements or legal provisions;
- 31. Considers that the proliferation of interim or precarious jobs risks having dangerous effects in terms of pension adequacy, in particular for the younger generations who often experience gaps in their career pathway and therefore their contributions, and the stability of social security systems;
- 32. Notes the worrying developments in overstretched housing markets in several Member States and their detrimental consequences on people with low income and in certain regions in particular; calls on Member States to step up efforts to follow the

Commission recommendations (to reduce supply bottlenecks, remove distortions and reduce biases created by the tax system) and to take action in line with recommendation 19 of the European Pillar of Social Rights;

- 33. Calls on the Commission and the Member States to make better use of the European Semester to monitor and support progress on housing affordability and homelessness; calls on the Commission to propose a European Framework for Social and Affordable housing for the efficient coordination of Member State policies;
- 34. Notes that social and healthcare services are essential in supporting the fight against poverty and social exclusion; notes with concern that a majority of Member States have received CSRs to improve the effectiveness, accessibility and sustainability of their public healthcare systems; calls on the Member States to step up their efforts to ensure the accessibility, availability, affordability, quality and cost-effectiveness of their healthcare systems; stresses the importance of prevention and health promotion campaigns, targeted in particular at young people from disadvantaged populations; calls on the Member States to invest in making prevention a priority in their health policies; calls for the active pursuit of health promotion campaigns for both physical and mental health; recalls the importance of facilitating the reintegration of people of working age recovering from illness into the labour market; calls on the Member States to invest in care services for people at every stage of their lives, to continue to pursue, with the aim of achieving, the 2002 Barcelona childcare targets and to develop care targets for elderly and dependent people;
- 35. Calls on the Commission and the Member States to develop specific measures to follow up on the European Framework for Action on Mental Health and Wellbeing and the EU-Compass for Action on Mental Health and Wellbeing; believes that these measures should include mental health promotion and prevention measures and be coherent with other policy instruments, with the aim of reducing the underlying social determinants of mental health;
- 36. Stresses the importance of closely monitoring and, where necessary, reviewing Union funds in order to ensure effective funding in line with EU objectives; calls on the Commission and the Member States to tackle any misuse, fraud and corruption relating to Union funds;
- 37. Stresses the importance of complying with the recommendations of EU auditors;
- 38. Believes that in order to maintain and increase global competitiveness, the labour market regulatory framework in the Member States needs to be clear, simple and flexible while maintaining high labour standards;
- 39. Instructs its President to forward this resolution to the Council and the Commission.