



SOCIAL AND EMPLOYMENT POLICY: GENERAL PRINCIPLES

European integration has led to significant social developments over the years. The latest example is the proclamation of the European Pillar of Social Rights, which reaffirms the EU's commitment to ensuring better living and working conditions throughout Europe.

LEGAL BASIS

Article 3 of the Treaty on European Union (TEU), and Articles 9, 10, 19, 45-48, 145-150 and 151-161 of the Treaty on the Functioning of the European Union (TFEU).

OBJECTIVES

The promotion of employment, improved living and working conditions, proper social protection, dialogue between management and other members of staff, the development of human resources with a view to ensuring lasting high employment and the prevention of social exclusion are the common objectives of the EU and its Member States in the social and employment fields, as described in Article 151 of the TFEU.

ACHIEVEMENTS

A. From the Treaty of Rome to the Maastricht Treaty

In order to allow workers and their families to take full advantage of the right to move and seek employment freely throughout the common market, the Treaty of Rome provided for the coordination of the Member States' social security systems. It enshrined the principle of equal pay for men and women, which was recognised by the Court of Justice as being directly applicable, and provided for the establishment of the European Social Fund (ESF) ([2.3.2](#)).

Concerns about structural imbalances and uneven growth in Europe later led to a more proactive social policy at Community level. In 1974, the Council adopted the first Programme of Social Action.

The Single European Act (SEA) introduced provisions for the harmonisation of health and safety conditions at work. Acting by qualified majority in cooperation with Parliament, the Council adopted a number of directives laying down minimum requirements in this area. The SEA also made it possible for the social partners at



European level to negotiate collective agreements and established a Community policy for economic and social cohesion.

Consensus grew around the need to pay more attention to the social factors connected with the completion of the internal market. Following long debates, the Community Charter of the Fundamental Social Rights of Workers (Social Charter) was adopted at the Strasbourg Summit in December 1989 by the heads of state or governments of 11 Member States, with the United Kingdom opting out.

B. From the Amsterdam Treaty to the Treaty of Lisbon

The inconvenience of having a double legal basis, created by the UK opt-out, was finally overcome with the signing of the Amsterdam Treaty, when all the Member States, including the UK (following a change in government), agreed to incorporate the Agreement on Social Policy into the text of the EC Treaty with some slight changes (Articles 151-161 TFEU). In Article 153, the co-decision procedure replaced cooperation and was also extended to provisions relating to the European Social Fund (2.3.2), the free movement of workers and social security for Community migrant workers (2.3.4). The new Article 19 conferred on the EC the ability to 'take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation'. On this basis, two directives were adopted shortly afterwards: Directive 2000/43/EC on equal treatment between persons irrespective of racial or ethnic origin and Directive 2000/78/EC on a general framework for equal treatment in employment and occupation.

The Amsterdam Treaty also included the promotion of a high level of employment among the EU objectives and conferred on the EC a responsibility to support and complement the activities of the Member States in this area to encourage cooperation between them and to develop a 'coordinated strategy', namely the European Employment Strategy (EES) (Articles 145-150 TFEU), based on an open method of coordination (OMC) (2.3.3).

The year 2000 saw the adoption, at the Nice Summit, of the Charter of Fundamental Rights of the EU, drafted by a special convention. A Social Protection Committee was created to promote cooperation between Member States and the Commission (Article 160 of the TFEU) on social protection policies, but all proposals to expand the co-decision procedure were rejected.

In the light of the mid-term review of the Lisbon Strategy in 2005, the employment guidelines adopted as part of the EES were incorporated into the integrated guidelines for growth and jobs.

A new social agenda for the 2006-2010 period was adopted in 2005 to accompany the relaunch of the Lisbon Strategy. In 2007, a European Globalisation Adjustment Fund (EGF) was created to provide support for workers made redundant as a result of changing global trade patterns (2.3.2).

The 2007 Treaty of Lisbon allowed for further progress in consolidating the social dimension of European integration. The Treaty on European Union now emphasises the EU's social objectives, including full employment and solidarity between generations (Article 3). Article 6 recognises the Charter of Fundamental Rights



as having the same binding force as the Treaties. The charter itself recognises so-called 'solidarity rights', such as the right of workers to information and consultation as well as collective bargaining, fair and just working conditions, social security and social assistance. A horizontal social clause was introduced into the TFEU, requiring the EU to fulfil the abovementioned social objectives when defining and implementing its other policies and activities (Article 9).

C. Developments since the Lisbon Treaty

Adopted in 2010 against a background of financial and economic crisis, the Europe 2020 strategy establishes inclusive growth — fostering a high-employment economy that delivers social and territorial cohesion — as one of its priority areas. The strategy also sets five headline targets, including a landmark social objective (ensuring 20 million fewer people are at risk of poverty by 2020), and a renewed commitment to employment (a target of 75% employment for the 20-64 age group). Seven flagship initiatives were set up to help achieve those targets. These include the Agenda for New Skills and Jobs, which focuses on revamping flexicurity policies; Youth on the Move, which is designed to enhance mobility and improve education and training; and the European Platform against Poverty and Social Exclusion (2.3.9). The progress of these initiatives is being monitored within the annual cycle of EU economic governance: the European Semester. In response to increasing poverty levels, the Fund for European Aid to the Most Deprived (FEAD) was established in 2014. It provides food and basic material assistance, together with social inclusion activities.

In April 2017, the Commission presented a communication on the European Pillar of Social Rights (EPSR), which sets out 20 key principles and rights to support a renewed process of convergence towards better living and working conditions. These are structured around three categories: (i) equal opportunities and access to the labour market, (ii) fair working conditions, and (iii) social protection and inclusion. At the Social Summit in Gothenburg in November 2017, Parliament, the Council and the Commission highlighted their shared commitment by adopting a common proclamation on the European Pillar of Social Rights. A number of legislative and non-legislative initiatives in areas such as the right of workers to information and consultation, access to social protection and work-life balance, are connected with the implementation of the pillar. The Social Pillar is accompanied by a 'social scoreboard' to monitor progress (2.3.9), and by a new approach that mainstreams social priorities into all policies, such as the Investment Plan for Europe and the Energy Union. Furthermore, the Commission proposed to establish a European Labour Authority (ELA), on which Parliament and the Council reached a provisional agreement in February 2019.

In December 2017, the Commission proposed a directive on transparent and predictable working conditions. This aims to provide workers — defined as natural persons who for a certain period of time perform services for and under the direction of another person in return for remuneration — with a basic set of new rights. Amongst other measures, it entails giving workers the right to more specific information on the essential aspects of their work; setting a limit on the length of probationary periods at the beginning of a job; increasing opportunities to seek additional employment by banning exclusivity clauses; advance notification of the reference hours and the provision of cost-free mandatory training. A provisional agreement on the directive was reached



between Parliament and the Council, and adopted by Parliament in April 2019; it is now awaiting confirmation by the Council.

Furthermore, in March 2018, the Commission issued a proposal for a Council recommendation on access to social protection for workers and the self-employed. This aims to close formal coverage gaps by ensuring that workers and the self-employed working in comparable conditions can be members of corresponding social security systems. One of its recommendations is, moreover, to facilitate the transfer of social security entitlements from one job to the next.

ROLE OF THE EUROPEAN PARLIAMENT

Although Parliament's role has long been a purely consultative and supervisory one, it has always been active in the development of EU action in the field of employment and social policy. Since the early stages of European integration, Parliament has often called for a more active social policy, so as to reflect the EU's increasing importance on the economic stage, and has supported the Commission's different proposals in this area. Parliament was more closely involved in the preparation of the Treaty of Amsterdam than in previous Treaty revisions, and some important innovations reflect its recommendations, such as the incorporation of the Social Agreement and the insertion of an employment chapter.

When the Lisbon Strategy was being developed, Parliament insisted that employment and social considerations should play a role in the design of growth strategies to be implemented at EU and national level. It asserted that a high level of social protection should be central to the Lisbon Strategy, considering it unacceptable that people should be living below the poverty line or in a position of social exclusion. It also took the view that the Lisbon Strategy did not set sufficiently binding targets in the social sphere, and called on the Member States to closely monitor the employment and social impact of the reforms implemented as part of the Europe 2020 strategy. Along the same lines, one of the messages conveyed by Parliament while debating the economic crisis was a firm call for an EU commitment to preserving European social models and a strong social Europe.

Since the headline targets of the Europe 2020 strategy are monitored and implemented as part of the European Semester process, Parliament has repeatedly insisted on incorporating the employment and social goals more effectively into the European Semester, inter alia by making social indicators binding and extending indicators to cover child poverty and decent work, for example.

Finally, Parliament has been critical of measures, such as economic adjustment programmes, taken outside the supranational framework. In March 2014, it stated that only genuinely democratic institutions should steer the political process of designing and implementing adjustment programmes for countries in severe financial difficulties.

Parliament has also confirmed its attachment to social values in deciding on the use of financial resources from the EU budget. It is thanks to Parliament that in the current 2014-2020 programming period, the European Social Fund ([2.3.2](#)) — Europe's main tool in the fight against unemployment and social exclusion — will account



for 23.1% of total EU cohesion funding, and 20% of each Member State's ESF allocation will have to be spent on social inclusion.

In its resolution of 25 February 2016 on the European Semester for economic policy coordination, Parliament called on the Commission and the Member States to take action to boost upward social convergence in the EU. It also called on the Commission to define and quantify its concept of social fairness. A similar call was made in its resolution of 15 February 2017.

On 19 January 2017, Parliament adopted a resolution on the European Pillar of Social Rights. While fully embracing the Commission's initiative in this field, the text underlined the importance of enforcing a core set of rights for everyone and called on the social partners and the Commission to work together to present a proposal for a framework directive on decent working conditions.

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