BRIEFING

Commissioners-designate hearings September - November 2019



Commitments made at the hearing of

NICOLAS SCHMIT

Commissioner-designate Jobs and Social Rights



The Commissioner-designate, Nicolas Schmit, appeared before the European Parliament on 01 October 2019 to answer questions put by MEPs from the Committees on Employment and Social Affairs (EMPL) and on Economic and Monetary Affairs (ECON). During the hearing, he made a number of commitments which are highlighted in this document. These commitments refer to his portfolio, as described in the <u>mission letter</u> sent to him by Ursula von der Leyen, President-elect of the European Commission, which focused on:

strengthening Europe's social dimension;

as well as additional points he made during the hearing, which included:

- promoting employment and a well-skilled workforce;
- ensuring decent working conditions and health and safety at work; and
- cooperating closely with the European Parliament.

Please note that the quotes included in this document only make reference to oral commitments made the during the <u>hearing</u>. The <u>verbatim report</u> of the public hearing is available on the <u>Commissioners-designate hearings website</u>. The Commissioner-designate was also sent some written questions in advance of the hearing to which he provided <u>written</u> answers.



Policy Department for Economic, Scientific and Quality of Life Policies
Author: Stefan Schulz
Directorate-General for Internal Policies
PE 638.439 - November 2019

Strengthening Europe's social dimension

The European Pillar of Social Rights

"In close cooperation with Parliament, I will develop an action plan to implement the Pillar both at Union level and in each Member State, building on the achievements made under the Commission of President Juncker and on the political guidelines of President-elect von der Leyen."

A fair minimum wage

"I will put forward a legal instrument to ensure that every worker in our Union has a fair minimum wage. It is not about setting one single EU wage level, and I will pay particular attention to social models of different Member States."

"[...] this frame for minimum wages by no means [...] will put into question the system based on collective bargaining, which provides for good wages in the countries where it applies, and we will not force – by no means – these countries to change their very old and very well-established tradition."

"I think we will not put disturbance or put this system into trouble by creating this kind of a European frame for minimum wages. We have to preserve what works well. Don't fix what works well. So this is a guarantee I can give you."

European Unemployment Benefit Reinsurance Scheme

"The resilience of the Economic and Monetary Union depends on stabilisation functions. A future European Unemployment Benefit Reinsurance Scheme requires a careful design to ensure rapid responses to shocks while preserving adequate unemployment protection."

"Shocks to the economy, and very often asymmetrical shocks, sadly are part and parcel of our economic model. And we have to cushion these shocks - that's the point. Not to organise some kind of permanent transfer from one to the other, but to ensure, first, that in the event of such an asymmetrical shock the economy concerned does not topple into a bottomless pit, and second, that the people in that economy have access to some kind of safety net, even if the state, for financial and budgetary reasons, has great difficulty in continuing to provide it."

The European Labour Authority

"[...] the newly-created European Labour Authority can play an important role, ensuring cooperation between national authorities, namely carrying out joint inspections. From the discussion in this Committee last week, I know that the practical set-up of the European Labour Authority is an important issue for many of you. I assure you that it will be rapidly put into place and provided with the adequate means to fulfil its tasks."

Promoting social dialogue

"Social dialogue should be promoted at all levels, as the Union's social dialogue can only work when built on strong, autonomous national social partners. Likewise, collective bargaining should also be supported, as it constitutes an important feature of our social market economy."

"It is important that in this economic upheaval, we make sure that social partners on both sides are strengthened again. The European Union, the Commission, has the means to do this. In the context of this institution building, we have a number of options - including financial options - and these have to be targeted particularly at countries where social partnership is almost unknown."

"My idea is to ask the Economic and Social Committee for a study on how to strengthen and promote collective bargaining in Europe again. The OECD is (also) working on this question, as is the ILO, and we have to draw inspiration from their findings as well."

The European Social Fund+ (ESF+)

"Investment in people needs to be recognised as an investment in a better future. The European Social Fund+ is the Union's prime instrument. It is a tool to support the implementation of the principles of the Pillar by providing resources."

"[...] certainly, the funds we have to dedicate to youth unemployment, we have especially to dedicate them there where youth unemployment remains a major problem. Where youth unemployment is very low, they can tackle their problem more easily, but it's where the concentration of youth unemployment is high that we have to focus our resources."

Strengthening social protection

"Everything in the programme presented [...] has one objective: strengthening social protection [...] in Europe. Strengthening, reactivating social progress while adapting it to a changing economy, to a changing economic environment, and in particular to globalisation. And we cannot be naive facing this globalisation, that's why we need to come up with our own ideas, our own concepts on how to manage [it]."

Developing a European Child Guarantee

"Child poverty is destroying the future of this person, because being a poor child very often means that you will be a poor adult. [...] We have to refocus [...] [existing] actions [on improving the situation of poor children]. [...] We have to concentrate them first on those who

PE 638.439 2

need it most in our societies [...]. [...] I could imagine basing [our approach] on the work which has been done in the Parliament to have some kind of recommendation. [...] I have understood that you cannot have an ambitious policy good for everybody without funding. I've noticed what the European Parliament has said, and [...] I will certainly bring that into the discussion, including with the Council."

Standards for a minimum income

"[...] there is [...] common interest in having a guarantee for every European citizen to be able to live decently, even if this person cannot be tomorrow on the labour market and [...] make a living of his or her own, and therefore we have to look after some kind of criteria, of benchmarks, to permit people to live decently. [...] it has to take into account the overall living standard and the situation, the economic, financial, budgetary situation, but it has also to guarantee to each European citizen, wherever he or she lives, a decent living."

Promoting employment and a well-skilled workforce

Non-discrimination and inclusion

- "I will promote a European labour market that guarantees access and good opportunities for everybody and in particular for persons with disabilities, migrants, Roma communities and the most deprived."
- "[...] certainly I will fight [...] to make sure that this principle of non-discrimination for any reason is really applied and enforced."
- "[...] we have to dedicate more means, more resources also from the ESF into policies which include all categories of persons who have greater difficulties on the labour market, and disabled persons are among them. [...] I would really like to make out of this subject one of our big objectives, one of our big aims of the next years: to give the opportunity to everybody, including also people with disabilities."
- "[...] there has to be a progressive integration of [...] persons [with disabilities] into the world of work, into a job. The companies which are doing that have to be accompanied, have to be helped. [...] [The] social economy also can be an answer to this issue."

"Certainly not every country knows exactly the same model of social economy. We have to respect the different cultures [...]. But I think there is a lot of room for action together. In 2011, Commissioner Barnier and Commissioner Andor, and also Commissioner Tajani, had a social business conference which really created a positive dynamic for social economy in Europe. So my idea would be, again with other Commissioners [...], to really replicate such an initiative, to bring actors

together and to have a plan to promote social economy."

Reinforcing the Youth Guarantee

"[...] we have to revamp, we have to rethink, we have to adapt the Youth Guarantee to the present situation. [...] the situation of the digital transition is something which is everywhere and, unfortunately, even young people [...] are not always equipped with the knowledge to enter this new digital area. So one of my ideas will be to introduce for every young person going through the Youth Guarantee or being unemployed, a basic fundamental digital training adapted to her or his knowledge, adapting also to the job they are aspiring to, but every young person has to get the tools to enter the digital labour market."

Updating the skills agenda

"People need to be accompanied in the upcoming transitions, enabling them to keep their skills updated as the economy evolves. This requires investment as well as a career and skills policy with improved tools to accompany all career transitions at all ages. I will explore the idea of individual learning accounts for people of working age."

- "[...] vocational training is essential, and vocational training is not the second best. [...] no. Vocational training is one of the best [...] and therefore we have really to sustain, to support vocational training."
- "[...] upskilling is the central issue for the forthcoming years. We have really to make sure that not only the young people have the right skills, [...], but also those who are in a job now get the upskilling or re-skilling to face the transformations of their jobs [...]. [...] ESF+ has to dedicate more money to skilling and upskilling. This is a central issue, and this has really to be integrated also in the country-specific recommendation[s] [...]."

Health and safety and working conditions

Dignified, transparent and predictable

"Working in an SME or working in a big company, that's not the question. Every citizen, every worker in Europe has a right to have a correct salary [...] and correct working conditions. [...] We have to support SMEs in these changes: that's obvious. We have to make them fit for a new economy, for the digital economy. [...] [But] we cannot build the future of SMEs on bad working conditions and very low salaries –that's not the future for the economic model in Europe."

Working conditions of platform workers

"Our labour markets will be changing due to automation, digitalisation and artificial intelligence. We

3 PE 638.439

have to engage decisively to mitigate the risks, shape the transitions and seize the opportunities. It is crucial to ensure trust in the digital future. Therefore, we need to address the labour conditions of platform workers and actively address new forms of precariousness."

"This is an overarching goal [which] we have to tackle quickly. [...] This sector is expanding quickly, becoming more and more important; it doesn't have only downsides, but it is absolutely necessary to introduce social regulation. The social aspect cannot be lagging behind technological evolution."

"We have to make sure [...] that people working on the platforms have the same social rights as all the other workers. They should have the right also to have collective bargaining [...] we have to sort out that when people come together, also platform workers who are considered to be self-employed, that they are not opposed to competition law, because that's absurd. [...] My idea would be to gather very rapidly a big conference with all the stakeholders to discuss this and then work on a good standard for people in the new digital economy."

"In the end, the most valuable capital we have in the digital economy is not machines, but human beings. Building a digital economy that is human-centered - that is our goal."

Health and safety issues

"One of the areas I personally care much about it is health and safety at work. It is not acceptable that in 2019 people in Europe are still at risk at their workplace. I will promote the adoption of further measures against carcinogens in the workplace. The changing world of work [also] requires new reflections on occupational health and safety."

"[...] [The renewal of the EU compass for action on mental health] is an issue which we have to follow up. [...] So I would certainly have a look at that, and together with the Commissioner in charge of health, we will do so. [...] What we have to have is a strong prevention policy [for mental diseases at the workplace, like burnout and stress]."

Posting of workers and social dumping

"The vital principle [...] which we absolutely have to implement, is that of equal pay for equal work in the same place."

"We now have to properly [...] implement this directive in the interest of everybody, not just of the receiving countries, but also of the sending countries. For in the end, no country can use some form of social dumping for its own workers. That flies in the face of the European spirit. I very much count on the European Labour Authority to ensure that the system works properly, that we fight any abuses, and that everyone is on an equal footing as far as possible."

"I also say quite clearly that Member States have to give themselves the necessary means and resources. [...] You can't talk about social dumping on the one hand, and on the other, not adopt the necessary instruments to deal with the issue."

Cooperating with the European Parliament

"I will work closely and regularly with the European Parliament, the Member States, social partners and all stakeholders to pursue a fairer, more social and inclusive Europe."

"I will listen to your comments, your ideas, your objections, and I can assure you that over the next few years, I will be committed to close cooperation with this House. We must work together if we wish to earn the trust of workers, families and citizens."

"[...] I will come back whenever you ask me to, or whenever I have the urge to talk to you, to take your advice and your opinion – very diverse, very different, sometimes quite critical, I must say, but I think this is what makes our European politics lively and really democratic. So I make the commitment today to be often with you and to continue what we started today [...]. [...] you are the voice of our citizens and we have to listen to that voice."

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Contact: Poldep-Economy-Science@ep.europa.eu

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