

The European Pillar of Social Rights: "a compass" which needs to set a social direction for the benefit of all

On 26 April, the EU Commission issued the European Pillar on Social Rights¹ (EPSR) as a flagship initiative to build a fairer Europe and strengthen its social dimension. The proposal on a social pillar is part of a broader debate initiated on the future of the EU27.

The EPSR was first announced by President Juncker in the State of the Union Address in September 2015. It was presented with "today's and tomorrow's realities in mind", namely "the legacy of the crisis of the last decade which is still far-reaching, from long-term unemployment, youth unemployment to the risks of poverty in many parts of Europe". However, the Commission Communication stresses that the pillar is not only seen as a social necessity, it is also an economic imperative! Indeed, the EPSR finds also its roots in the Five Presidents' Report on the completion of the European Economic and Monetary Union issued in June 2015. The Commission Communication establishes that "the pillar needs to deliver fairer and more efficient labour markets and welfare systems" and refers explicitly to the Five Presidents' Report which points out that "efficient and resilient labour markets that promote a high level of employment and are able to absorb shocks without generating unemployment are essential for the smooth functioning of the EMU". It remains to be seen how our social concerns and the call for more social rights and protection for all will be balanced with the economic imperative!

The pillar sets out 20 key principles and rights, to support fair and well-functioning labour markets and welfare systems. These principles which are not directly applicable or legally binding are mainly addressed to the EU Members States to serve as a "compass for a renewed process of convergence towards better working and living conditions among participating Member States". It has made clear that the EPSR shall not prevent Member States or their Social Partners from establishing more ambitious social standards.

Besides principles, the EPSR put forward some individual rights (for instance, the right to fair wages that provide for a decent standard of living) that, despite not being directly applicable, can be pushed for and directly claimed at national level.

However, without some kind of coordination role taken by the EU Commission, these rights are not likely to pave the way for more upward convergence and reduce inequalities, since so far, the implementation of the EPSR is the sole responsibility of the national level and there is no guidance whatsoever on how the principles and the rights should be implemented. It is fair to add that for a number of topics (labour law, minimum wage, education, healthcare and the organization of social protection systems), Member States and to a certain extent, the national Social Partners, have primary or even exclusive competencies.

Furthermore, we should ask ourselves how the EPSR is going to be financed, especially in those countries that are still under severe budgetary constraints since the Communication stipulates that "Members States bear the bulk of the financing in the areas covered by the EPSR".

Together with the EPSR, the Commission is presenting two first phase consultations of the European social partners on a legislative proposal: one on access to social protection for all employment types and a second

¹ Annex 1 Contains a detailed list of the 17 documents which composed the EPSR

² See COM (2017) 250 final



one on the information an employer is required to provide employees. Finally, the EU Commission put forward a draft proposal for work life balance and an interpretative Communication on the Working Time Directive.

This policy brief will give an overview of:

- The European Pillar of Social Rights
- The legislative proposal on Work-Life balance
- The first phase consultation on access to social protection for all forms of employment
- The first phase consultation on the revision of the Written Statement Directive
- The interpretative Communication on the Working Time Directive

The EPSR: the 20 principles and rights

With the EPSR, social issues are undoubtedly back on the European agenda. However, there is still a long road to get these 20 principles and rights translated into tangible improvements at the workplace. Only then, will the EU Commission initiative be seen as a success!

The EPSR is due to be adopted at the Gothenburg EU Social Summit on 17 November of this year, while at the same time, the broader discussion on the social dimension of Europe will take place. The pillar is primarily conceived for the eurozone area but open to all Member States. For the moment, 4 countries are still undecided about joining on a voluntary basis: Denmark, Poland and Hungary. However, proclaiming the Social Pillar will still not make it legally enforceable. It is therefore crucial that the pillar is flanked by concrete legal proposals to ensure that:

- Economic and financial policies are balanced with social rights and policies;
- The rights in the EPSR become real for all workers;
- Upward convergence is promoted and social dumping practices come to an end;

To this end, the ETUC is calling on the EU to put in place an Action Plan to Deliver the Rights in the EPSR through a set of proposals.

ETUC key demands to strengthen the EPSR:

- 1. A social progress protocol to restore social Europe and improve the binding nature of the pillar to ensure social rights are respected by all EU institutions and member states;
- 2. The introduction of a suite of Employment Directives to make the rights outlined in the European Pillar of Social Rights real for all workers, in all workplaces;
- 3. Promote collective bargaining, upward wage convergence and taking serious steps to end all social dumping practices;
- 4. Change the Scoreboard into Targets to drive and measure progress (to make sure that social and employment-related issues are an integral part of the European Semester);
- 5. Introduce a programme to support social partner involvement at all levels.



Without a clear enforcement mechanism, the EPSR is likely to remain a mere political declaration.

The EPSR in details

It contains 20 domains under 3 headings:

- Equal opportunities and access to labour market
- Fair working conditions
- Adequate and sustainable social protection

The 20 principles must be read together with the <u>staff working document</u> which provides more detailed explanations on each of the principles and rights.

Overall, the text gives a lot of consideration to the new forms of work, the impact of the digitalisation on the world of work and the need to adapt the social *acquis* to the reality of the changing pathways of work. It rightly highlights the need for adequate protection for all and especially for workers in all forms of work. At the same time, it is far too positive on self-employment and on the fact that self-employment could be the number one solution to unemployment. It also failed to recognize that bogus self-employment is still wide-spread that that it must be eradicated as it undermines the sustainability of social security systems and workers' social protection and entitlements (the ETUC is demanding to amend the EPSR on this point).

Overview of the main principles and rights (in blue in the text)

Chapter I: equal opportunities and access to the labour market

1. Education, training and life-long learning

Everyone has the right to quality and inclusive education, training and life-long learning in order to maintain and acquire skills that enable them to participate fully in society and manage successfully transitions in the labour market.

Main Existing Measures:

- The youth Guarantee (2013),
- a number of Council Recommendations
- the New Skills Agenda for Europe (June 2016)

Changes introduced by the EPSR and remarks:

The EPSR sets out a general right to education and training throughout life. It is worth noting that it refers to a right to training to participate fully in society, not only in the labour market.

For implementation, it targets the Member States and the national Social Partners in particular, for designing both VET and continuous training.

Overall, the measures foreseen for young people are too limited. Notably, the amount foreseen for the Youth Guarantee has not been increased and remains too limited.



In 2017, the Commission will propose a Council Recommendation on a Quality Framework for Apprenticeships.

The EPSR also refers to the Digital Skills and Jobs Coalition which was launched to accompany the digital transformation, by promoting the exchange of good practices. In our view, this initiative has not been successful so far, neither on the national nor European level.

2. Gender equality

- a. Equality of treatment and opportunities between women and men must be ensured and fostered in all areas, including regarding participation in the labour market, terms and conditions of employment and career progression.
- b. Women and men have the right to equal pay for work of equal value.

Main Existing Measures:

- Directives guaranteeing equal treatment between men and women, in access to employment, including promotion, vocational training, working conditions, pay and in matters on social security (2006).
- Directive on health and safety of pregnant workers and workers who have given birth (1992).
- Directive on parental leave (2010).

Changes introduced by the EPSR and remarks:

According to the Commission, the EPSR extends equality to all areas, not only in the labour market, through the promotion of positive action. Here again the responsibility of both the national and European Social Partners is highlighted.

It also refers to the initiative on work-life balance presented by the EU Commission together with the EPSR and in particular the proposal for a Directive on work-life balance for parents and carers.

3. Equal opportunities

Regardless of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation, everyone has the right to equal treatment and opportunities regarding employment, social protection, education, and access to goods and services available to the public. Equal opportunities of under-represented groups shall be fostered.

Main Existing Measure:

• The Racial Equality Directive (2000)



Changes introduced by the EPSR and remarks:

According to the Commission, the EPSR extends the protection against discrimination on the grounds of religion or belief, disability, age and sexual orientation to the areas of social protection, including social security and healthcare, education, and access to goods and services available to the public.

The responsibility of Social Partners is highlighted.

4. Active support to employment

- a. Everyone has the right to timely and tailor-made assistance to improve employment or self-employment prospects. This includes the right to receive support for job search, training and re-qualification. Everyone has the right to transfer social protection and training entitlements during professional transitions.
- b. 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.
- c. People unemployed have the right to personalised, continuous and consistent support. The long-term unemployed have the right to an in-depth individual assessment at the latest at 18 months of unemployment.

Main Existing Measures:

- The youth Guarantee (2013)
- A council Recommendation on the integration of long-term unemployed into the labour market (2016)
- A Commission Recommendation on the active inclusion of people excluded from the labour market (2008)

Changes introduced by the EPSR and remarks

The EPSR clarifies that everyone has the right to individualised assistance to look for a job regardless of the fact that they are unemployed, already employed or self-employed and that transitions from one job to another have to be facilitated. This is further developed in the Social Partners Consultation on access to social protection for people in all forms of employment.

Regarding young people, the EPSR recalls the Youth Guarantee, which is insufficient, as previously stated.

Chapter II: Fair working conditions

5. Secure and adaptable employment



- a. Regardless of the type and duration of the employment relationship, workers have the right to fair and equal treatment regarding working conditions, access to social protection and training. The transition towards open-ended forms of employment shall be fostered.
- b. In accordance with legislation and collective agreements, the necessary flexibility for employers to adapt swiftly to changes in the economic context shall be ensured.
- c. Innovative forms of work that ensure quality working conditions shall be fostered. Entrepreneurship and self-employment shall be encouraged. Occupational mobility shall be facilitated.
- d. Employment relationships that lead to precarious working conditions shall be prevented, including by prohibiting abuse of atypical contracts. Any probation period should be of reasonable duration.

Main Existing Measures:

- Three Directives on protection of workers working under non-standard employment relationships: part-time (1997), fixed-term (1999) and temporary agency work (2008)
- The Written Statement Directive (1991)
- The Entrepreneurship 2020 Action Plan (2016).

Changes introduced by the EPSR and remarks:

On a positive note, the EPSR extends the guarantee of equal treatment beyond the three forms of non-standard employment relationships, which have already been regulated at European level (part-time, fixed-term and temporary agency work). It stresses that equal treatment regarding working conditions, access to social protection and training between the different type of employment relationship shall be secured.

The clear prohibition of abuse of atypical contracts is a strong principle and signal. Its implementation is further detailed in the staff working document which stresses that "preventive measures can include differential taxation of employment relationships leading to precariousness or the establishment of *bonus malus* systems for the social security contributions".

What is not positive is the fact that:

- . open-ended forms of employment are no longer the norm. The formulation that "transition towards open-ended forms of employment should be fostered" is too weak and too vague.
- . Opening the possibility for ensuring "the necessary flexibility for employers to adapt swiftly to changes in the economic context" is dangerous and must be balanced with an obligation to protect workers interests (the ETUC demands that the EPSR be amended on this point).

Regarding self-employed, as said before, the ETUC demands stressing that self-employment is not the panacea to unemployment and that it is problematic that the Pillar does not recognise that many workers who are categorised as self-employed (bogus self-employed).

Related to these principles, the Commission is launching <u>a Social Partners Consultation on the revision of the</u> <u>written statement directive including the possibility to introduce minimum standards applicable to every employment relationship and prohibiting abuse.</u>



6. Wages

- a. Workers have the right to fair wages that provide for a decent standard of living.
- b. Adequate minimum wages shall be ensured, in a way that provide for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. In-work poverty shall be prevented.
- c. All wages shall be set in a transparent and predictable way according to national practices and respecting the autonomy of the social partners.

Main Existing Measures:

Note that wages are an exclusive competence of the national level and in most countries of the Social Partners. Nonetheless, some key complementary measures have been taken such as:

- The Regulation on the prevention and correction of macroeconomic imbalances which includes the monitoring of competitiveness developments, including labour costs (2011).
- The Council Recommendation on the establishment of National Productivity Boards (2016).

Changes introduced by the EPSR and remarks:

The Pillar recognises the role of minimum wages in combating poverty. Overall, the implementation of the principle described in the staff working document is in line with the ETUC "common strategy on low and minimum wages" adopted in March 2017. However, there is some contradiction between, the fact that minimum wages, on the one hand, must provide a decent standard of living and, on the other hand, they must reflect productivity levels. Does it mean that, at the end of the day, social policy objectives must be aligned with the economic objectives?

Other contradiction: The Pillar recognises the autonomy of the Social Partners in setting wages, on the other hand, their role is subject to EU interference in connection with the correction of macroeconomic imbalances and the establishment of the National Productivity Boards.

Finally, the objective of preventing in-work poverty is very weak.

7. Information about employment conditions and protection in case of dismissals

- a. Workers have the right to be informed in writing at the start of employment about their rights and obligations resulting from the employment relationship, including on probation period.
- b. Prior to any dismissal, workers have the right to be informed of the reasons and be granted a reasonable period of notice. They have the right to access to effective and impartial dispute resolution and, in case of unjustified dismissal, a right to redress, including adequate compensation.

Main Existing Measures:

The Written Statement Directive (1991)



- Directive on workers' rights in case of transfer of undertakings (2001)
- Directive on Collective Redundancies (1998)

Changes introduced by the EPSR and remarks

The Commission takes a restrictive view of workers' involvement, which equals to a setback compared to the current 'acquis communautaire':

- Rights to participation (worker representation on corporate boards) are not mentioned, as the Commission only refers to rights to information and consultation
- Important pieces of EU legislation on workers' involvement are simply disregarded (the Directive on cross-border mergers, on take-over bids, on workers' involvement on European Companies and European Cooperative Companies), as the Commission focuses exclusively on legal texts which are currently placed under a REFIT initiative.

The pillar does not propose any progress/improvement in the area of workers' involvement

- The pillar refers only to the right of workers being informed and consulted in case of restructuring (the transfer, restructuring and merger of undertakings and on collective redundancies) and fails to mention the general principle of democracy in the workplace!
- No legislative initiative which would strengthen existing rights is foreseen. The Commission only proposes to issue a guidance document on the EWC Directive and a report on how the EU quality framework on restructuring is applied.
- The focus on existing instruments which are placed under REFIT (consolidation of the three Directives on information and consultation and review of the EWC Directive) raises some concerns since REFIT is more about streamlining regulation than improving it!

The Commission proposes a first step in the direction of greater and more generalised involvement of social partners in the preparation of EU and national legislation.

• The Pillar proposes the setting up of a clear right for social partners to be involved in the preparation of relevant economic, employment and social legislation and policies, as well as their implementation, not only at EU but also at the national level.

8. Social dialogue and involvement of workers

- a. The social partners shall be consulted on the design and implementation of economic, employment and social policies according to national practices. They shall be encouraged to negotiate and conclude collective agreements in matters relevant to them, while respecting their autonomy and the right to collective action. Where appropriate, agreements concluded between the social partners shall be implemented at the level of the Union and its Member States.
- b. Workers or their representatives have the right to be informed and consulted in good time on matters relevant to them, in particular on the transfer, restructuring and merger of undertakings and on collective redundancies.
- c. Support for increased capacity of social partners to promote social dialogue shall be encouraged.



Main Existing Measures:

- The information and consultation Directive (2002)
- Directive on European works Council (2009)
- Directive on Collective Redundancies ((1998)
- Directive on the transfer of undertakings (2001)

Changes introduced by the EPSR and remarks:

This chapter does not introduce any improvement. In fact, it can even be seen as a limitation of the current information and consultation rights as the pillar refers only to the right of workers being informed and consulted in case of restructuring (the transfer, restructuring and merger of undertakings and on collective redundancies) and fails to mention the general principle of democracy at the workplace!

A REFIT evaluation of the Directive 2009 on EWC in 2017 raises some concerns since the REFIT is more about streamlining regulation than improving it!

9. Work-life balance

Parents and people with caring responsibilities have the right to suitable leave, flexible working arrangements and access to care services. Women and men shall have equal access to special leaves of absence in order to fulfil their caring responsibilities and be encouraged to use them in a balanced way.

Main Existing Measures:

- Directive on Maternity Leave (1992)
- Directive on the application of the Principle of equal treatment between self-employed men and women (2010).
- Directive on part-time work (1997)

Changes introduced by the EPSR and remarks:

Together with the EPSR, the Commission has presented the initiative on "New start to support Work-Life Balance for parents and carers". It proposes legislative and policy actions aiming to facilitate the uptake of parental leave by both women and men, to introduce paternity leave and carers' leave, to promote the use of flexible working arrangements, as well as to provide more and better child- and other care facilities and remove economic disincentives such as tax-benefit disincentives, which discourage second-earners, often women, from entering the labour market.



10. Healthy, safe and well-adapted work environment and data protection

- a. Workers have the right to a high level of protection of their health and safety at work.
- b. Workers have the right to a working environment adapted to their professional needs and which enables them to prolong their participation in the labour market.
- c. Workers have the right to have their personal data protected in the employment context.

Main Existing Measures:

The framework Directive and the 23 related Directives on the prevention of occupational risks and the protection of health and safety (1989).

Changes introduced by the EPSR and remarks:

The Pillar mainly refers to the current revision of the Carcinogens and Mutagens Directive (2004) but does not contain anything new.

Chapter III: Social protection and inclusion

11. Childcare and support to children

- a. Children have the right to affordable early childhood education and care of good quality.
- b. Children have the right to protection from poverty. Children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities.

Main Existing Measures:

A number of Commission Recommendations

Changes introduced by the EPSR and remarks:

Together with the EPSR, the Commission has presented the "New start to support Work-Life Balance for parents and carers" initiative.

12. Social protection

Regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to adequate social protection.



Main Existing Measures:

- Directive on equal treatment between men and women engaged in self-employed activity (2010).
- Regulation on the coordination of the social security rules (No 883/2004).

Changes introduced by the EPSR and remarks:

According to the Commission staff working document, the Pillar transforms the call for a replacement income which will maintain the workers' standard of living (1992 Recommendation) *into a right*.

The Pillar provides that social protection apply to all workers, regardless of the type and duration of their employment relationship, and, **under comparable conditions**, the self-employed. Its aim is to cover the whole range of non-standard contracts for the provision of work which are increasingly prevalent in today's labour market.

In this respect, the Commission presents, together with the European Pillar of Social Rights, <u>a first-stage consultation of the social partners on an initiative concerning "Access to Social Protection</u>", in order to address varying access to social protection by workers in standard employment and people employed on non-standard contracts and in various forms of self-employment.

13. Unemployment benefits

The unemployed have the right to adequate activation support from public employment services to (re)integrate in the labour market and adequate unemployment benefits of reasonable duration, in line with their contributions and national eligibility rules. Such benefits shall not constitute a disincentive for a quick return to employment.

Main Existing Measures:

Regulation on the coordination of the social security rules (No 883/2004).

Changes introduced by the EPSR and remarks:

The Pillar outlines the right to adequate support for people in unemployment from public employment services. Furthermore, the Pillar provides that the unemployed shall have a right to adequate unemployment cash benefits of reasonable duration. The provision covers all unemployed people, including those with short employment records and those who were formerly self-employed.

Of course, each Member State retains the right to define the fundamental principles of its social security system.

Related to this principle, the Commission has presented <u>a first-stage consultation of the social partners on an initiative concerning "Access to Social Protection</u>" which also addresses the access to unemployment benefits and to employment services.



The Pillar refers also to the current revision of the Regulation (EC) No 883/2004 on the coordination of social security systems which proposes to extend the minimum period for which an unemployed person can request unemployment benefits while searching for a job in another Member State from three to six months.

14. Minimum income

Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market.

Main Existing Measures:

- Council Minimum Income Recommendation (92/441/EEC).
- Commission Recommendation on the active inclusion of persons excluded from the labour market (2008/867/EC).

Changes introduced by the EPSR and remarks:

The Pillar sets out a right for everyone who lacks sufficient resources to access minimum income benefits. In the case of people who are able to work, benefits should be combined with incentives to (re)integrate into the labour market. According to the Staff Working Document, it goes beyond the 1992 Minimum Income Recommendation by explicitly stating the right to a minimum income that ensures a life with dignity. The concept of "minimum income", pointing to a specific form of benefit, is used explicitly for the first time, replacing the more generic terms such as "social assistance" or "sufficient resources".

Minimum income aims to prevent destitution of people who are not eligible for social insurance benefits, or whose entitlement to such benefits has expired, thus combating poverty and social exclusion.

15. Old age income and pensions

- Workers and the self-employed in retirement have the right to a pension commensurate to their contributions and ensuring an adequate income. Women and men shall have equal opportunities to acquire pension rights.
- Everyone in old age has the right to resources that ensure living in dignity.

Main Existing Measures:

- A number of Directives which implement the principle of equal treatment between men and women, inter alia, in relation to pensions, covering statutory schemes, occupational and personal pensions.
- Regulation on the coordination of social security systems (No 883/2004).



Changes introduced by the EPSR and remarks:

The Pillar calls for an adequate pension for both workers and the self-employed. The Pillar also covers the self-employed. It calls for equal opportunities for both women and men to acquire old-age pension rights. The Pillar goes further than the 1992 Recommendation by calling for equality of opportunity between women and men when it comes to acquiring pension rights.

The Pillar calls for an adequate income at old age without regard to the type of pension system. Thus, it covers all three pillars of the pension system.

It does not say anything about pension age.

The remaining principles and rights cover:

16. Health care

Everyone has the right to timely access to affordable, preventive and curative health care of good quality.

17. Inclusion of people with disabilities

People with disabilities have the right to income support that ensures living in dignity, services that enable them to participate in the labour market and in society, and a work environment adapted to their needs.

18. Long-term care

Everyone has the right to affordable long-term care services of good quality, in particular home-care and community-based services.

19. Housing and assistance for the homeless

- a. Access to social housing or housing assistance of good quality shall be provided for those in need.
- b. Vulnerable people have the right to appropriate assistance and protection against forced eviction.
- c. Adequate shelter and services shall be provided to the homeless in order to promote their social inclusion.

20. Access to essential services

Everyone has the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications. Support for access to such services shall be available for those in need.

The legislative proposal on Work-Life balance



The draft Directive introduces for the first time EU-wide rights to paternity and carers' leave, and provides various other new entitlements for working parents and carers. It also strengthens existing EU legislation on parental leave, replacing and repealing the Parental Leave Directive (2010/18/EU), which was based on a social partner agreement.

The main provisions are as follows:

- 10 days paternity leave (paid at sick pay level)
- 5 days for carers per year (paid at sick pay level)
- The existing workers' individual entitlement to at least four months' parental leave would be paid at least at the level of sick pay (parental leave is currently unpaid), and the leave could be taken up until the child is aged 12 years (currently eight years).
- Flexible working arrangements: parents would have a new right to request taking leave in a flexible way. Where member states allow one parent to transfer their entitlement to the other parent, at least four months of parental leave would not be transferable. In addition, workers returning from parental leave would be entitled to ask for flexible working arrangements, in the form of changes to working hours and/or patterns. This right would be extended to all workers who have children aged up to 12 years or who are carers for seriously ill or dependent relatives, and would also be broadened to include a right to request remote working.

The Estonian EU Presidency of the second half of 2017 plans to initiate Council discussions on the draft Directive.

Business Europe is strongly opposing this proposal.

The first phase consultation on possible action addressing the challenges of access to social protection for people in all forms of employment

With the consultation of the Social Partners, the EU Commission aims to address varying access to social protection by workers in standard employment and people employed on non-standard contracts and in various forms of self-employment. The consultation equally addresses the access to employment services and training and the transferability of social protection and training entitlements, in view of facilitating occupational mobility. It also concerns the ways to reduce the gap in access to employment services, training, rehabilitation and re-insertion measures across various types of employment relationships and for the self-employed.

"Non-standard" employment relates to not full-time, open-ended employment in a subordinate, bilateral employment relationship and the self-employed. Social protection relates to access to social benefits such as unemployment, sickness, occupational accident/illness, old-age, invalidity and maternity benefits, along with healthcare and long-term care. Employment services include guidance, placement, training and rehabilitation measures.

The social partners had until 7 June 2017 to respond and to indicate whether or not they would consider initiating a dialogue - which could lead to negotiations over an EU-level agreement - on any of the issues raised. Any such dialogue could relate to workers in non-standard employment but not the self-employed, who do not fall within the social partners' remit.

On 14 June, the <u>ETUC issued its response</u>, broadly welcoming the Commission's ideas and stating its willingness to open negotiations with the employers (while calling for EU legislation if such talks do not occur or lead to an agreement).



On 23 June, BusinessEurope argued (<u>BusinessEurope response</u>) that changes to EU legislation in this field are not needed or appropriate, and said that it would not consider initiating a dialogue on the subject.

First-stage consultation of the social partners on a possible revision of Council Directive 91/533/EEC of 14 October 1991 on an employer's obligation to inform employees of the conditions applicable to the contract or employment relationship.

The consultation covers the scope of application of the Directive and the extension of the 'information package', including on the probation period. As part of this consultation, the Social Partners are consulted on whether to amend the Directive more substantially with a view to introducing a minimum floor of workers' rights applicable to every type of employment relationship.

In its first-stage consultation document, the Commission suggests a number of ways of improving the Directive's effectiveness. The possible amendments put forward by the Commission include:

- broadening the range of workers covered by the Directive, for example by applying a common and
 inclusive definition of "employee" or "worker", specifying that the Directive covers groups such as
 on-call workers and trainees, and removing or amending the current option for member states to
 exclude employees who work less than eight hours a week or whose employment relationship lasts
 less than one month or is of a casual and/or specific nature;
- adding new matters that must be included in the written statement, for example in relation to probationary periods, training and social security coverage;
- strengthening redress and sanctions this might include fines on employers that fail to issue written statements (as well as financial compensation for employees who prove they have suffered damages) or presuming favourable terms and conditions for employees in the absence of a written statement; and
- reducing the current two-month period after employment starts within which the employer must provide a statement.

More substantially, the Commission also seeks views on a possible broadening of the Directive's objectives beyond solely requiring information on the employment relationship and introducing a minimum floor of workers' rights applicable to every type of employment relationship.

The social partners had until 7 June 2017 to give their views.

In its <u>response</u>, issued on 23 June, BusinessEurope did not express agreement with the Commission's ideas or support an EU legislative initiative on the issues raised, but did say it is "willing to engage in exploratory talks with the ETUC in order to assess the feasibility and appropriateness of initiating a dialogue" and asked the Commission to "leave the necessary time for such talks and to avoid any action that could interfere with the autonomy of the social partners or interfere in this dialogue".

In its <u>response</u> adopted on 14th June, The ETUC demands the Commission to legislate in all proposed areas concerning adequate information for workers and the minimum floor of rights. When doing so, it asks the Commission to take additional demands into consideration. It is also ready to start negotiations with employers' organisations at EU level.

<u>Eu Commission Interpretative Communication</u> on Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time



The Communication seeks to increase legal certainty and clarity in relation to key aspects of the Directive's implementation, particularly in the light of European Court of Justice case law. The (non-binding) guidance in the Communication relates to a number of contentious provisions of the Directive, including:

- the Directive's scope, such as the definition of the workers covered;
- the definition of working time and rest periods, including issues such as on-call and standby time;
- minimum rest breaks and daily/weekly rest periods, including compensatory rest in cases where workers are not granted their full rest periods;
- maximum weekly working hours, including hours-averaging arrangements;
- minimum paid annual leave, including its interaction with other types of leave, such as maternity, parental or sick leave;
- night work and shift work;
- exemptions for "autonomous workers", mobile workers and offshore work; and
- the "opt-out" from the maximum 48-hour working week



Annex 1:

Documents related to the EPSR itself:

- 1. The Communication on an EPSR providing the context and rationale for the Pillar of Rights; 10 pages (https://ec.europa.eu/commission/publications/commission-communication-european-pillar-social-rights en)
- 2. Commission Recommendation on establishing the EPSR outlines the 20 principles of the consultation documents, many of which have been strengthened as rights; 9 pages (https://ec.europa.eu/commission/publications/commission-communication-european-pillar-social-rights en)
- 3. Draft Joint Proclamation to be same text as item 2, but to be adopted by the Commission, Parliament and Member States by the end of the year. This will then replace item 2; (https://ec.europa.eu/commission/publications/draft-joint-proclamation-european-parliament-council-and-commission en)
- 4. Staff Working Document, explanatory fiches on each principle some legal context building; 78 pages (http://ec.europa.eu/social/BlobServlet?docId=17606&langId=en)
- 5. Summary Report on the Consultation; 53 pages (http://ec.europa.eu/social/BlobServlet?do-cld=17608&langld=en)

Docs related to the Social Scoreboard tool (see online tool here):

6. Staff Working Document on Scoreboard Methodology; 6 pages (http://ec.europa.eu/social/Blob-Servlet?docId=17607&langId=en)

Documentss related to specific proposals/legislative initiatives:

Work/life balance for parents and carers: This is a proposal for a legislative initiative in the form of a Draft Directive:

- 7. Communication on work/life balance initiative; 16 pages (http://ec.europa.eu/social/Blob-Servlet?docId=17604&langId=en)
- 8. Proposal for a Directive; 29 pages (http://ec.europa.eu/social/BlobServlet?docId=17605&lan-gld=en)
- 9. Annex to proposal to show changes; 3 pages (http://ec.europa.eu/social/BlobServlet?do-cld=17620&langld=en)
- 10. Accompanying statement by the Commission; 2 pages (http://ec.europa.eu/social/BlobServlet?do-cld=17644&langld=en)
- 11. Work/life balance fact sheet; 2 pages (http://ec.europa.eu/social/BlobServlet?docId=17583&lan-gld=en)

Access to social protection for all employment types: This is a proposal for a legislative initiative at first stage consultation

12. First phase consultation for Social Partners; 21 pages (http://ec.europa.eu/social/BlobServlet?do-cld=17616&langld=en)



Written Statement Directive: This is a proposal for a legislative initiative at first stage consultation

- 13. First phase consultation with Social Partners; 16 pages) http://ec.europa.eu/social/BlobServlet?do-cld=17614&langld=en)
- 14. Staff Working Document -REFIT Evaluation; 48 pages (http://ec.europa.eu/social/BlobServlet?do-cld=17615&langId=en)

Working Time Directive: This is not a legislative initiative it is 'Interpretative communication' and is presented as a final document

- 15. Interpretative Communication on the Working Time Directive; 78 pages (http://ec.europa.eu/social/BlobServlet?docId=17617&langId=en)
- 16. Staff Working Document accompanying; 48 pages (http://ec.europa.eu/social/BlobServlet?docid=17623&langId=en)
- 17. Implementation Report; 14 pages (http://ec.europa.eu/social/BlobServlet?docId=17622&lan-gld=en)